

MATTER #21-10-2451

RESPONSE TO FINAL OPPORTUNITY TO SUPPLEMENT THE RECORD

AUGUST 15, 2022

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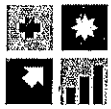
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MARYLAND
**Health Care
Commission**

Randolph S. Sergeant, Esq., Chairman
Ben Steffen, Executive Director

August 3, 2022

By E-Mail

Shannon Magro
Physicians Surgery Center of Frederick
81 Thomas Johnson Court, Suite B
Frederick, MD 21702

Christopher P. Dean, Esq.
Miles & Stockbridge, PC
100 Light Street
Baltimore, MD 21202-1036

Re: In the Matter of Andochick Surgical Center, LLC d/b/a Physicians Surgery
Center of Frederick Certificate of Need Application
Matter No. 21-10-2451
Reviewer's Second and Final Request for Information

Dear Ms. Magro and Mr. Dean:

I have reviewed the response of the applicant, Andochick Surgical Center, LLC d/b/a Physicians Surgery Center of Frederick (PSCF), to my June 9, 2022 letter, as well as the interested party's comments in response. Unfortunately, PSCF's responses to my questions were incomplete in several respects. I, therefore, request that the applicant provide full and complete responses to the matters identified below. **This will be the applicant's final opportunity to supplement the record before I issue my recommended decision.**

Budget

1. There is a difference of \$21,000 between the Use of Funds (\$2,805,300) and the Source of Funds (\$2,784,300) in applicant's revised Project Budget, Tab 1, Table E, submitted on June 23, 2022. Please review the numbers and explain the differences in the budget statement between the Use of Funds and the Source of Funds.

2. Identify the source of information and assumptions that were used to project the budget increase in the revised Project Budget in Tab 1, Table E. Please be specific, citing the sources used, if any.
3. Given the updated construction timeline reported in Tab 2, please revise Tables 1 and 2 – Statistical Projections -Entire Facility and Proposed Project and Tables 3 and 4 – Revenues and Expenses – Entire Facility and Proposed Project for the timeline 2020 through 2026.
4. The letters under Tab 5 and 6 in both responses are not on letterhead and not signed by C. Melton. Additionally, the letters do not explain in detail his relationship as either an independent Certified Public Accountant or an employee of PSCF. Please resubmit these letters with the appropriate documentation and information for Mr. Melton.
5. Explain the basis for the assumption that “the forecast...assumes a 20% increase in revenue” as stated in Tab 6, Ex. 22—Financial Feasibility. What circumstances or facts support a 20% increase in revenue?

Utilization and Volume Projections

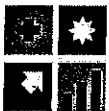
6. Please resubmit the surgical cases and surgical minutes consistent with Addendum B for each physician performing surgery at PSCF based on the applicant's updated timeline:
- The historical utilization (2020 and 2021);
 - The utilization during the construction period of the project (2022 through 2023); and
 - The projected volumes upon completion of the new addition (2024 through 2026, which is the projected second full year of operation after project completion).

The projections in Addendum B should be consistent with the Table 1 and 2 responses for the revised utilization projections in previous Question #3.

Charity Care

The State Health Plan Chapter for General Surgical Services provides the following definition for Charity Care at COMAR 10.24.11.07B(4):

“Charity care” means:



- (a) Free or discounted health and health-related services provided to persons who cannot afford to pay;
- (b) Care to uninsured, underinsured, or low-income patients who are not expected to pay all or part of a bill, or who are able to pay only a portion using an income-related sliding fee schedule; or
- (c) The unreimbursed cost to a health care facility for providing free or discounted care to persons who cannot afford to pay and who are not eligible for public programs.

Charity care results from a facility's policy to provide health care services free of charge or discounted to individuals who meet certain financial criteria. Generally, the patient must demonstrate an inability to pay. **Charity care does not include bad debt.**

Regarding compliance with the Charity Care standard, the applicant provides in Tab 3, Ex. 5 a chart that shows the amount of charity care provided at PSCF from 2013 through 2021.

Table 1: Physicians Surgery Center of Frederick - Historical Charity Care (2013 - 2021)

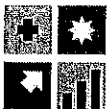
	2013	2014	2015	2016	2017	2018	2019	2020	2021
Charity Care	\$963.87	\$0.00	\$930.11	\$4,128.00	\$1,620.00	\$0.00	\$8,314.00	\$1,663.00	\$78,385.00
Expenses	\$2,991,611	\$3,329,291	\$2,509,949	\$3,192,182	\$3,299,538	\$3,783,992	\$3,805,414	\$4,068,407	\$5,687,630
Percent	0.03%	0.00%	0.04%	0.13%	0.05%	0.00%	0.22%	0.04%	1.38%

Source: June 23 2022 PSCF response, Tab 3, Ex. 5.

The applicant needs to provide a written response that:

- (a) Demonstrates why PSCF's historic level of charity care was appropriate to the needs of PSCF's service area; and
- (b) Document how PSCF will provide charitable surgical services to indigent patients that are equivalent to at least the average amount of charity care provided by ambulatory surgical facilities annually (which was reported by MHCC in 2019 as 0.63%).

PSCF's June 23 correspondence at Tab 3, Ex. 5 through 13 does not address the Commission's need to evaluate and assess either PSCF's historical level or how the applicant will meet the future level of charity care for the proposed four operating room ambulatory surgical facility upon project completion. These exhibits do not provide an adequate explanation of how the applicant has met the needs either historically, or will meet the need for charity care upon project completion. Please submit a written



response that supports how the historical and projected charity care levels are appropriate to the needs of the population in PSCF's service area.

Impact

Table 2: Impact Surgical Cases by PSCF Surgeons at Hospitals, 2020-2021

Physician Name	2020						2021					
	FHH		Holy Cross		Meritus		FHH		Holy Cross		Meritus	
	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes
Scott Andochick	24	3,792		0		0	24	3,792		0		0
James Steinberg	213	14,484		0		0	154	10,472		0		0
Kristin Nesbitt Silon	40	1,800		0		0	26	1,170		0		0
Matthew Levine	144	15,120		0		0	94	9,870		0		0
Adam Mecinski	69	3,312		0	26	1,248	80	3,840		0	27	1,296
Sunil Thadani	0	0		0		0		0		0		0
Steven Horton	12	876		0		0	45	3,285		0		0
Rishi Gupta	271	19,512		0		0	267	19,224		0		0
Christopher Henry	10	530		0		0	8	424		0		0
Samuel Sanders	0	0	30	2,970		0		0	15	1,485		0
Gabriel Petrucelli	0	0	6	498		0		0	5	415		0
Korboi Evans	0	0	260	35,880		0		0	260	35,880		0
Cory Walsh	219	13,688		0		0	200	12,500		0		0
Laura Copaken	0	0		0		0	32	800		0		0
Total	1,002	73,114	296	39,348	26	1,248	930	65,377	280	37,780	27	1,296
Total Surgical minutes + TAT ^(a)		98,164		46,748		1,898		88,627		44,780		1,971
Total No. ORs ^(b)		11		5		11		11		5		11
Optimal Capacity - Mixed Use General Purpose ORs ^(c)		114,000		114,000		114,000		114,000		114,000		114,000
Total Optimal Capacity at Hospital ^(d)		1,254,000		570,000		1,254,000		1,254,000		570,000		1,254,000
% Impact ^(e)		7.8%		8.2%		0.2%		7.1%		7.9%		0.2%

Source: June 23, 2022, Tab 4, Ex. 14

Notes:

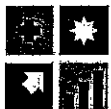
(a) Surgical minutes plus (TAT = Number of cases times 25 minutes)

(b) Annual Report on Selected Maryland Acute Care and Special Hospital Services, Fiscal Year 2018, Table 18, p. 27 available at: https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_hospital/documents/acute_care/chcf_Annual_Rpt_Hosp_Services_FY2018.pdf.

(c) COMAR 10.24.11.06A(1)(a)(ii) Mixed use general purpose operating room optimal capacity is "1,900 hours per year and includes the time during which surgical procedures are being performed and room turnaround time (TAT) between surgical cases."

(d) Total No. ORs times 114,000 minutes

(e) (Total Surgical Minutes + TAT) / Total Optimal Capacity at Hospital



Shannon Magro
Christopher P. Dean, Esq.
August 3, 2022
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8. Table 2 above was created using information provided by the applicant in Tab 4, Exhibit 14 on the number of surgical cases performed by PSCF surgeons at Frederick Health Hospital, Holy Cross – Germantown, and Meritus Health System in 2020 and 2021. Although Exhibit 14 is not labeled, I assume that it only reports outpatient cases that could be performed at PSCF. Table 2 calculates the impact of shifting these cases to PSCF on each hospital's overall surgical capacity. The estimated surgical minutes for each surgeon are based on each surgeon's reported average operating room time in Exhibit 16.

Given the projected increase in surgical cases to be performed by each physician at PSCF, please discuss the impact of the proposed project on each of these three hospitals.

The applicant should submit four copies of its responses to the information requested in this letter within ~~(ten)~~ business days of receipt. In addition, please submit all responses electronically, in both Word and PDF format, to Ruby Potter (ruby.potter@maryland.gov) and all parties copied in this letter. The Interested Party, Frederick Health Hospital, may file a response within seven business days after receiving the applicant's filing. No reply filings are permitted unless I specifically agree that a reply may be filed. If you require additional time to submit a response, you can request an extension for a reasonable period of time in accordance with COMAR 10.24.01.10A(2).

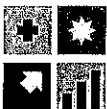
All information supplementing the applicant must be signed by person(s) available for cross-examination on the facts set forth in the supplementary information, who shall sign a statement as follows: "I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information, and belief."

I remind all parties that this is a contested case and that the *ex parte* prohibitions in the Administrative Procedure Act, Md. Code Ann., State Gov't §10-219, apply to this proceeding until the Commission issues a final decision. Any communication to me or the Commission must therefore also be sent to all other parties.

Sincerely,

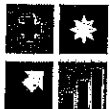


Trupti Brahmabhatt, Ph.D.
Commissioner/Reviewer



Shannon Magro
Christopher P. Dean, Esq.
August 3, 2022
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cc: Wynee Hawk, Chief, CON, MHCC (wynee.hawk1@maryland.gov)
Paul Parker, Director, Center for Health Care Facilities Planning and Development
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Alexa Bertinelli, Assistant Attorney General (alexa.bertinelli@maryland.gov)
Caitlin Tepe, Assistant Attorney General (caitlin.tepe@maryland.gov)
Jennifer Coyne (jcoyne@milesstockbridge.com)
Scott E. Andochick, M.D. (seandochick@hotmail.com) (Applicant Contact)
James P. Sherwood, FACHE, VP Business Dev. & Strategy, Frederick Health
(jbsherwood@frederick.health) (Interested Party Contact)
Barbara A. Brookmyer, M.D., M.P.H., Health Officer of Frederick County
(bbrookmyer@FrederickCountyMD.gov)



I. Budget

1. There is a difference of \$21,000 between the Use of Funds (\$2,805,300) and the Source of Funds (\$2,784,300) in applicant's revised Project Budget, Tab 1, Table E, submitted on June 23, 2022. Please review the numbers and explain the differences in the budget statement between the Use of Funds and the Source of Funds.

Please see attached revised Table E with balanced/revised Use of Funds and Source of Funds submitted by Scott Norberg, MedArch (EXHIBIT 1)

2. Identify the source of information and assumptions that were used to project the budget increase in the revised Project Budget in Tab 1, Table E. Please be specific, citing the sources used, if any.
(EXHIBIT 2)
3. Given the updated construction timeline reported in Tab 2, please revise Tables 1 and 2—Statistical Projections -Entire Facility and Proposed Project **(EXHIBIT 3)** and Tables 3 and 4 – Revenues and Expenses – Entire Facility and Proposed Project for the timeline 2020 through 2026. **(EXHIBIT 4 AND EXHIBIT 5)**
4. The letters under Tab 5 and 6 in both responses are not on letterhead and not signed by C. Melton. Additionally, the letters do not explain in detail this relationship as either an independent Certified Public Accountant or an employee of PSCF. Please resubmit these letters with the appropriate documentation and information for Mrs. Melton. **(EXHIBIT 4A) and (EXHIBIT 5A)**
5. Explain the basis for the assumption that “the forecast....assumes a 20% increase in revenue” as stated in Tab 6, Ex. 22—Financial Feasibility. What circumstances or facts support a 20% increase in revenue? **(EXHIBIT 5B)**

TABLE E. PROJECT BUDGET

INSTRUCTION: Estimates for Capital Costs (1.a-g), Financing Costs and Other Cash Requirements (2.a-g), and Working Capital Startup Costs (3) must reflect current costs as of the date of application and include all costs for construction and renovation. Explain the basis for construction cost estimates, renovation cost estimates, contingencies, interest during construction period, and inflation in an attachment to the application.

E: Inflation should only be included in the inflation allowance line A.1.e. The value of donated land for the project should be included on Line A.1.d as a use of funds and on line B.8 as source of funds.

	Hospital Building/Landlord liability	See Attached Explanation of Budget for PSCF liability for internal build and renovation: 12022sf	Total
A. USE OF FUNDS			
1. CAPITAL COSTS			
a. New Construction			
(1) Building	\$1,681,200	\$1,913,800	\$3,595,000
(2) Fixed Equipment	\$0	\$50,000	\$50,000
(3) Site and Infrastructure	\$425,000	\$0	\$425,000
(3a) Development Fees	\$18,500.00		\$18,500.00
(4) Architect/Engineering Fees	\$154,500	\$140,500	\$295,000
(5) Permits (Building, Utilities, Etc.)	\$31,500	\$33,500	\$65,000
SUBTOTAL	\$2,310,700	\$2,137,800	\$4,448,500
b. Renovations			
(1) Building	\$0	\$127,800	\$127,800
(2) Fixed Equipment (not included in construction)	\$0	\$0	\$0
(3) Architect/Engineering Fees	\$0	\$35,000	\$35,000
(4) Permits (Building, Utilities, Etc.)	\$0	\$5,000	\$5,000
SUBTOTAL	\$0	\$167,800	\$167,800
c. Other Capital Costs			
(1) Movable Equipment	\$0	\$300,000	\$300,000
(2) Contingency Allowance	\$95,000	\$105,000	\$200,000
(3) Gross interest during construction period			\$0
(4) Other (Specify/add rows if needed)			\$0
SUBTOTAL	\$95,000	\$405,000	\$500,000
TOTAL CURRENT CAPITAL COSTS	\$2,405,700	\$2,710,600	\$5,116,300
d. Land Purchase	\$375,000		\$375,000
e. Inflation Allowance			\$0
TOTAL CAPITAL COSTS	\$2,780,700	\$2,710,600	\$5,491,300
2. Financing Cost and Other Cash Requirements			
a. Loan Placement Fees	\$10,000	\$11,000	\$21,000
b. Bond Discount	\$0	\$0	\$0
c. CON Application Assistance	\$0	\$10,000	\$10,000
c1. Legal Fees	\$0	\$0	\$0
c2. Other (Specify/add rows if needed)	\$0	\$0	\$0
d. Non-CON Consulting Fees (Phase 1, Hazard Insurance,	\$7,500	\$0	\$7,500
d1. Legal Fees	\$0	\$0	\$0
d2. Other (Specify/add rows if needed)(Flood Plain Cert)	\$2,500	\$0	\$2,500
e. Debt Service Reserve Fund	\$0	\$0	\$0
f. Other (Specify/add rows if needed) Construction Financing	\$51,000	\$65,000	\$116,000
g. Start Up operations	\$0	\$8,700	\$8,700
SUBTOTAL	\$71,000	\$94,700	\$165,700
3. Working Capital Startup Costs			
TOTAL USES OF FUNDS	\$2,851,700	\$2,805,300	\$5,657,000
B. Sources of Funds			
1. Cash (PSCF-500,000/SEA 500,000)	\$500,000	\$550,000	\$1,050,000
2. Philanthropy (to date and expected)		\$0	\$0
3. Authorized Bonds		\$0	\$0
4. Interest Income from bond proceeds listed in #3		\$0	\$0
5. Mortgage		\$58,000	\$58,000
6. Working Capital Loans (two notes up to 2.2M each over 20years at 4%)	\$1,976,700	\$2,197,300	\$4,174,000
7. Grants or Appropriations			
a. Federal		\$0	\$0
b. State		\$0	\$0
c. Local		\$0	\$0
8. Other (Specify/add rows if needed)		\$0	\$0
Owner Contribution of Land \$375,000	\$375,000	\$0	\$375,000
TOTAL SOURCES OF FUNDS	\$2,851,700	\$2,805,300	\$5,657,000
	Hospital Building	Other Structure	Total
Annual Lease Costs (if applicable)			
1. Land			
2. Building			\$0
3. Major Movable Equipment			\$0
4. Minor Movable Equipment			\$0
5. Other (Specify/add rows if needed)Recommended Contingency			\$0

* Describe the terms of the lease(s) below, including information on the fair market value of the item(s), and the number of years, annual cost, and the interest rate for the lease.



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8 August 2022

Dr. Scott Andochick
Ms. Shannon Magro
Andochick Properties
81 Thomas Johnson Court
Frederick, MD 21702

RE: Expansion and Renovation of The Physicians Surgical Center of Frederick
81 Thomas Johnson Court Frederick, MD 21702

MEDARCH Design Project 2035.01
MHCC Matter 21-10-2451

Dear Dr. Andochick and Ms. Magro,

Please allow this letter to serve as a response to items identified by the Maryland Health Care Commission during their review of the Certificate of Need Application of the Physicians Surgery Center of Frederick Expansion Project. These responses address items identified in the letter dated August 3rd, 2022.

Responses are based upon Construction, Construction Costs, Construction Characteristics and Project Schedule and therefore the question sequence will address those specific items. The question from the Maryland Healthcare Commission is in italics and response is in bold.

- 1. In the revised Project Budget, Table E submitted on June 9th, 2022, there is a difference of \$21,000 in the tenant column F between the Use of Funds (\$2,779,000) and the Source of Funds (\$2,758,000). Please reconcile the budget statement so that the Use of Funds equals the Source of Funds.*

The Use and Sources of Funds has been balanced to \$5,657,000 for the project, \$2,851,700 for the Owner and \$2,805,300 for the Tenant -Physicians Surgery Center of Frederick. Loan Placement Fees of \$11,000 and CON Application Assistance Fees of \$10,000 for a total of \$21,000, have been included in column "F". Please refer to updated table "E".

- 2. Identify the source of information and assumptions that were used to project the budget increase in the revised Project in Tab 1 Table E. Please be specific, citing the sources if used, if any.*

Current Capital Costs as compared to the Project Budget of September 23, 2021 and the most recent budget of June 15, 2022 increased by \$257,099. (\$5,116,300 less \$4,859,201 = \$257,099)

Summarized as noted below:

- | | |
|------------------------------------|------------------|
| a. Building Construction: | \$3,599 |
| b. Site and Infrastructure: | \$205,000 |



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c. Development Fees:	\$18,500
d. Architect/Engineering Fees:	\$10,000
e. Building Permit Fees:	<u>\$20,000</u>
	\$257,099

- a. **Building Construction Costs increased by \$3,599**
A Rooftop Door was added to service mechanical Equipment.
- b. **Consider the following data for site design:**
- **As reported in Tab D, Line 27 for Construction Costs on September 23, 2021, Site Costs excluded from the Marshall Valuation Service is \$220,000.**
 - **As reported in Tab D, Line 27 for Construction Costs on June 15, 2022, Site Costs excluded from the Marshall Valuation Service is \$425,000.**
 - **The resulting increase is \$205,000.**

Design information and site specification have been refined from the September 2021 estimate due to the following factors:

- 1. The Storm Water Management design of the site as required by The City of Frederick Department of Planning was finalized.**
- 2. This design which incorporated pervious draining pavement and four bio retention ponds with underground drainage piping is the primary reason for the cost increase.**
- 3. The initial estimate included Storm Water Management costs however the extent to which the City of Frederick approved the design required more site features and thus costs increased.**
- 4. The design includes utility rework of supply and wastewater systems and work within the street adjacent to the site.**

Cost information is based upon estimates developed from final engineering drawings by a local reputable Site Contractor that performed the site work for the initial building at 81 Thomas Johnson Court. The Name of the contractor is Gabe's Service in Frederick.

- c. **Development Fees on Line 1(3a) increased by \$18,500.**
- **This Fee is based upon the need to excavate the street to remove utility taps and a second location to excavate to tap and access supply and waste lines.**
 - **This cost includes required bonds and actual cost of the work.**
 - **The source of this information is the City of Frederick and the Public Works and Utility Department.**



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- d. **Architect and End Engineering Fees on Line 1(4) increased by \$10,000**
 - **Allowance for reimbursable expenses and consultant fees**
 - e. **Building Permit Fees on Line 1(5) increased by \$19,500.**
 - **This increase is due to a Traffic Assessment based upon the increase of vehicular traffic to the site for parking and access.**
 - **The source of this information is the City of Frederick and the Traffic Engineering Department.**
3. *Given the updated construction timeline reported in tab 2, the following represents the current timeline.*

The anticipated schedule is:
September 2022

October 2022

December 2022

March 2023

April 2023

May 2023

September 2023

January 2024

February 2024

March 2024

April 2024

City of Frederick Planning Department to finalize approval of Site Plan. Consolidation of Lots accomplished. Planning Department has issued preliminary approval of site plan.
Apply for Building Permit with City Of Frederick. Expect Permit January 1, 2023
Project at Construction Bidding. Contractor Bids due February 20th 2023.
Contract award for construction. Notice to proceed to order materials
Earthwork to commence
Building Construction Commences
Exterior work Complete
Interior Work complete. City of Fredrick inspects and issues certificate of occupancy. Medical Equipment installed
Medical Equipment tested and inspected. Schedule inspection for Certification
Final move in of operational equipment.
Commissioning of equipment completed
First Patient seen on the basis that Certification approved in February and equipment passed commissioning.

Please contact me pertaining to any design or architectural questions or concerns

RESPECTFULLY SUBMITTED:

MEDARCH DESIGN PLLC
Scott A. Norberg, AIA, LEED AP

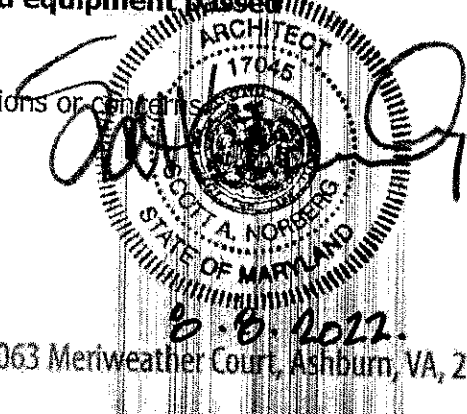


TABLE 1: STATISTICAL PROJECTIONS - ENTIRE FACILITY Updated 6.2022

	Current Year Projected		Projected Years (ending with first full year at full utilization) Project completion date April 2024			
CY or FY (Circle)	2021	2022	2023	2024	2025	2026
a. Number of operating rooms (ORs)	2	2	2	4	4	4
• Total Procedures in ORs	2626	3098	3458	3894	4037	4165
• Total Cases in ORs	2626	3098	3458	3894	4037	4165
• Total Surgical Minutes in ORs**	151845 (149745)	196500 (192941)	202579 (199020)	236520 (231270)	247331 (541206)	256320 (249320)
b. Number of Procedure Rooms (PRs)	1	1	1	2	2	2
• Total Procedures in PRs	59	100	100	150	175	200
• Total Cases in PRs	59	100	100	150	175	200
• Total Minutes in PRs**	2100	3559	3559	5250	6125	7000
Total OR and PR Minutes	151845	196500	202579	236520	247331	256320

*Number of beds and occupancy percentage should be reported on the basis of licensed beds.

**Do not include turnover time.

TABLE 2: STATISTICAL PROJECTIONS - PROPOSED PROJECT

	Projected Years (Ending with first full year at full utilization)		
CY or FY (Circle)	2024	2025	2026
a. Number of operating rooms (ORs)	4	4	4

• Total Procedures in ORs	3894	4037	4165
• Total Cases in ORs	3894	4037	4165
• Total Surgical Minutes in ORs**	236520	247331	256320
b. Number of Procedure Rooms (PRs)	2	2	2
• Total Procedures in PRs	150	175	200
• Total Cases in PRs	150	200	200
• Total Minutes in PRs**	5250	6125	7000

*Do not include turnover time

EXHIBIT 3

TABLE 3

CY or FY (Circle)

1. Revenue

	Actual two most ended recent years	2020	Actual	2021	2022	2023	2024	2025	2026
a. Inpatient services	4,506,517								
b. Outpatient services	4,506,517	4,170,269	5,619,899	6,660,700	8,305,200	8,469,450	8,881,400	9,267,125	9,267,125
c. Gross Patient Service Revenue		4,170,269	5,619,899	6,660,700	8,305,200	8,469,450	8,881,400	9,267,125	9,267,125
d. Allowance for Bad Debt									
e. Contractual Allowance									
f. Charity Care	4,506,517								
g. Net Patient Services Revenue	20,796	4,170,269	5,619,899	6,660,700	8,305,200	8,469,450	8,881,400	9,267,125	9,267,125
h. Other Operating Revenues	4,527,313	11,785	4,200	5,000	5,000	5,000	5,000	5,000	5,000
i. Net Operating Revenue		4,182,054	5,624,099	6,665,700	8,310,200	8,474,450	8,886,400	9,272,125	9,272,125

3. Expenses

a. Salaries and Wages Expenses									
Professional Fees, (including fringe benefits)	3,805,413	4,017,706	5,609,179	6,402,374	8,106,776	7,888,513	8,111,378	8,426,143	
b. Contractual Services	1,251,755	1,299,693	1,493,471	1,665,175	2,076,300	2,117,363	2,220,350	2,316,781	
c. Interest on Current Debt	20,295	17,217	15,785	10,030	5,013	1,610	815	0	
d. Interest on Project Debt	0	0			49,000	96,000	92,000	89,000	
e. Current Depreciation	117,802	278,758	925,329	300,000	75,000	50,000	50,000	50,000	
f. Project Depreciation					351,000	251,000	126,000	126,000	
g. Current Amortization	30,958	13,922	30,943	30,943	30,943	30,943	30,943	30,943	
h. Project Amortization									
i. Supplies	1,728,824	1,775,345	2,481,298	3,663,385	4,567,860	4,234,725	4,440,700	4,633,563	
j. Other Expenses (Facility Exp)	372,885	378,331	376,920	399,806	536,400	683,400	706,500	716,500	
j. Other Expenses (Administrative)	282,260	254,314	285,433	333,035	415,260	423,473	444,070	463,356	
j. Other Expenses (Misc)	634	126							

3. Income

a. Income from Operation	721,900	164,348	14,920	263,326	203,424	585,937	775,022	845,982	
b. Non-Operating Income	0	454,671	294,962	175,000	125,000	125,000	63,000	0	
c. Subtotal	721,900	619,019	309,882	438,326	328,424	710,937	838,022	845,982	
d. Income Taxes		50,700	78,450	35,066	26,274	56,875	67,042	67,679	
e. Net Income (Loss)	721,900	568,319	231,432	403,260	302,150	654,062	770,980	778,303	

Personnel cost as % of revenue	28%	31%	27%	25%	25%	25%	25%	25%	
Supplies cost as % of revenue	38.4%	42.6%	44.2%	55.0%	55.0%	50.0%	50.0%	50.0%	
Admin expense as % of revenue	6.3%	6.1%	5.1%	5.0%	5.0%	5.0%	5.0%	5.0%	

EXHIBIT 1: PROJECTION OF CASES AND REVENUE

Year	Number of Cases										Collections net of refunds									
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2018	2019	2020	2021	2022	2023	2024	2025	2026		
Jan	181	200	252	193						324,287	272,873	473,528	378,810							
Feb	136	151	105	189						329,901	346,920	406,422	323,552							
March	168	208	168	219						297,378	370,402	326,665	581,562							
April	156	219	22	225						278,606	362,607	150,218	462,295							
May	189	250	76	203						346,906	394,222	118,028	348,980							
June	180	190	208	232						320,685	358,378	320,084	533,783							
July	177	221	220	216						269,569	400,326	461,742	461,117							
Aug	184	200	188	228						377,603	378,387	399,622	434,366							
Sept	164	178	204	231						292,618	398,754	356,633	553,945							
Oct	190	228	213	251						417,610	425,388	434,776	490,135							
Nov	195	215	172	212						419,213	349,802	397,886	511,053							
Dec	155	226	240	227						276,542	448,458	324,666	540,300							
TOTAL	2,075	2,486	2,068	2,626	3,098	3,845	3,894	4,037	4,165 {1}	3,950,918	4,506,517	4,170,270	5,619,899	6,660,700	8,305,200	8,469,450	8,881,400	9,267,125 {3}		
AVERAGE	173	207	172	219	258	320	325	336	347	329,243	375,543	347,523	468,325	555,058	692,100	705,788	740,117	772,260		
INCREASE		20%	-17%	27%	18%	24%	1%	4%	3%		14%	-7%	35%	19%	25%	2%	5%	4%		
AVERAGE COLLECTIONS PER CASE										1,904	1,813	2,017	2,140	2,150	2,160	2,175	2,200	2,225 {2}		

February 2020- Closed 2 weeks for HVAC

Covid-19 Closure: March 20 - May 18. Only emergent cases performed

{1} Annual case projections provided by Shannon Magro

{2} Avg collections per case assumes slight increase annually.

{3} Collections projected using number of cases x Avg collection per case

PROJECTION OF CASES AND REVENUE

Year	Number of Cases			Collections net of refunds		
	2018	2019	2020	2021	2018	2019
Jan	181	200	252	193	324,287	272,873
Feb	136	151	105	189	329,901	346,920
March	168	208	168	219	297,378	370,402
April	156	219	22	225	278,606	362,607
May	189	250	76	203	346,906	394,222
June	180	190	208	232	320,685	358,378
July	177	221	220	216	269,569	400,326
Aug	184	200	188	228	377,603	378,387
Sept	164	178	204	231	292,618	398,754
Oct	190	228	213	251	417,610	425,388
Nov	195	215	172	212	419,213	349,802
Dec	155	226	240	227	276,542	448,458
TOTAL	2075	2486	2068	2626	3,950,918	4,506,517
AVERAGE	173	207	172	219	329,243	375,543
INCREASE		20%	-17%	27%		14%
AVERAGE COLLECTIONS PER CASE RATIO					1,904	1,813
						2,017
						2,140

February 2020- Closed 2 weeks for HVAC
 Covid-19 Closure: March 20 - May 18. Only emergent cases performed

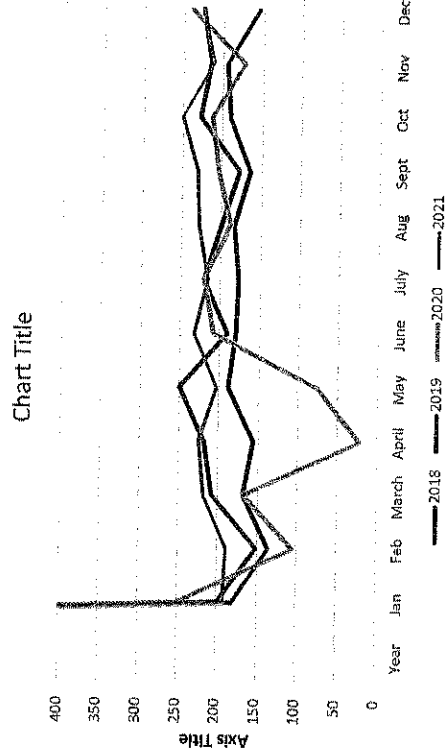


TABLE 4

Projected Years

(Ending with first full year at full utilization)

CY or FY (Circle)	2023	2024	2025	2026
1. Revenues				
a. Inpatient Services				
b. Outpatient Services	1,644,500	1,808,750	2,220,700	2,664,840
c. Gross Patient Services Revenue	1,644,500	1,808,750	2,220,700	2,664,840
d. Allowance for Bad Debt				
e. Contractual Allowance				
f. Charity Care				
g. Net Patient Care Service Revenues	1,644,500	1,808,750	2,220,700	2,664,840
h. Total Net Operating Revenue	1,644,500	1,808,750	2,220,700	2,664,840
2. Expenses				
a. Salaries, Wages, and Professional Fees, (including fringe benefits)	411,125	452,188	555,175	666,210
b. Contractual Services				
c. Interest on Current Debt				
d. Interest on Project Debt	49,000	96,000	92,000	89,000
e. Current Depreciation				
f. Project Depreciation	351,000	251,000	126,000	126,000
g. Current Amortization				
h. Project Amortization				
i. Supplies	904,475	904,375	1,110,350	1,332,420
j. Other Expenses (Facility)	276,400	423,400	446,500	456,500
j. Other Expenses (Admin)	74,003	81,394	99,932	119,918
j. Other Expenses (Misc)				
k. Total Operating Expenses	2,066,003	2,208,356	2,429,957	2,790,048
3. Income				
a. Income from Operation	-421,503	-399,606	-209,257	-125,208

Table 4 Cont.

(Ending with first full year at full utilization)

CY or FY (Circle)	2023	2024	2025	2026
b. Non-Operating Income				
c. Subtotal	-421,503	-399,606	-209,257	-125,208
d. Income Taxes	-33,720	-31,969	-16,741	-10,017
e. Net Income (Loss)	-387,782	-367,638	-192,516	-115,191

EXHIBIT 8

Tables 3 and 4 provide historical financial data and future financial projections based on the following assumptions:

Total cases are projected to increase over the current actual cases in the first 3 years of full utilization (beginning in 2024) by 25%, 30% and 34% respectively. Annual case projections provided by Shannon Magro in conjunction with surgeons. (EXHIBIT 1)

Current year cases: 3,098

Projection:

2023: 3,845

2024: 3,894

2025: 4,037

2026: 4,165

Revenue is projected based on historical trend of average collections per case. The most recent 2 years average collections per case are \$2,140 and \$2,017. Collections assume a slight increase annually for inflation. (EXHIBIT 1)

Current year average collection per case: \$2,150

Projection:

2023: \$2,160

2024: \$2,175

2025: \$2,200

2026: \$2,225

Staffing and operating expenses are based on historical trends as a percentage of revenue. The staffing assumes sufficient head count increases for case projections.

Facility costs, including rents, debt servicing, plant and equipment depreciation are considered as additional expenses in Table 4.

- 1) Personnel expense: 25% of revenue
- 2) Supplies: 50% of revenue
- 3) Admin expense: 5% of revenue
- 4) Interest on new debt: \$2.2M @ 4.5% amortized for 20 years (Per project budget)
- 5) Depreciation: Based on project budget for building and mobile equipment
- 6) Facility Exp: Current lease expense is \$260k annually. Lease expense is projected for future years at \$570k annually beginning with 2024 as the first full year, and increasing an average of 1.75% each year.

Updates to Table 3 and 4 June 2022

I have reviewed and revised Table 3 and 4.

- Revised 2022 revenue projections based on current trend and projected cases
- Revised 2022 and future years projection for supply expense based on YTD trend
- Revised 2023 and future years case and revenue projection. Annual cases were revised after discussion with Shannon Magro in conjunction with the surgeons.

6. Financial Feasibility.

The basis used for financial projections takes into account historical and current revenue and expense trends based on existing OR capacity. The surgery center is currently experiencing increased cases and revenue over prior years with additional surgeons. The initial Capital investment in buildings and mobile equipment is projected in Table 4 under Project Depreciation. This investment along with the interest on Project Debt initially reduces Income from Operations for the first full 3 years of full utilization. These projections are highly conservative and demonstrate negative income from operations. However, exclusion of non cash expense (depreciation) in the year 2026 the center would be at a breakeven point for the expansion.



Submitted by C. Melton, CPA

Accounting & Business Solutions

Supplement to Table 4 and Addendum B Projections:

If cases were 4,350 for 2025 and 4,450 for 2026 PSCF would show profit by 2026. Here is what it looks like for project income using those case numbers:

2025 (68,094)

2026 44,188 Net income

TABLE 4

(Ending with first full year at full utilization)

CY or FY (Circle)	2023	2024	2025	2026
1. Revenues				
a. Inpatient Services				
b. Outpatient Services	1,644,500	1,808,750	2,909,300	3,491,160
c. Gross Patient Services Revenue	1,644,500	1,808,750	2,909,300	3,491,160
d. Allowance for Bad Debt				
e. Contractual Allowance				
f. Charity Care				
g. Net Patient Care Service Revenues	1,644,500	1,808,750	2,909,300	3,491,160
h. Total Net Operating Revenue	1,644,500	1,808,750	2,909,300	3,491,160
2. Expenses				
a. Salaries, Wages, and Professional Fees, (including fringe benefits)	411,125	452,188	727,325	872,790
b. Contractual Services				
c. Interest on Current Debt				
d. Interest on Project Debt	49,000	96,000	92,000	89,000
e. Current Depreciation				
f. Project Depreciation	351,000	251,000	126,000	126,000
g. Current Amortization				
h. Project Amortization				
i. Supplies	904,475	904,375	1,454,650	1,745,580
j. Other Expenses (Facility)	276,400	423,400	446,500	458,500
j. Other Expenses (Admin)	74,003	81,394	130,919	157,102
j. Other Expenses (Misc)				
k. Total Operating Expenses	2,066,003	2,208,356	2,977,394	3,446,972

from Operation

-421,503 -399,606 -68,094 44,188
Projected Years

The information in updated Addendum B for each surgeon resulted in a decrease in projected volume due to the absence of Dr. Steinberg in July, and their feeling it is too early to determine how many actual cases they will receive from his case load upon leaving the community. Although they will absorb Dr. Steinberg's cases, they preferred not to project those figures at this time due to the unknown. The surgeons concerns about over projecting their caseloads in Addendum B worry about the statement involving "perjury" and basic uncertainty of how many cases they will be transferred to them. They have stated this is difficult to measure and chose to provide more conservative estimations at this time.

Ex. 5b.

Additional cases will be added and increased year over year case load as a result of six new Ophthalmologists that will be joining PSCF in the month of September. They are currently involved in the credentialing process and therefore those projections are not included in the projections at this time. The above table is an example of how the addition of 300 cases per year will result in increased profitability in 2025 and 2026. It is assumed that the addition of six Ophthalmologists will result in significantly more than 300 additional cases per year beginning 2022 through 2026 and support of feasibility.

EXHIBIT 5b.

Credentialing Request and Communications with John Hopkins University School of Medicine; Wilmer Eye Institute

From: Rachel J. Bishop <rbishop6@jhmi.edu>

Sent: Monday, August 15, 2022 9:02 AM

To: Shannon Magro <shannon.magro@physicianssurgerycenter.net>

Cc: Jella An <jan22@jh.edu>

Subject: credentials for Wilmer physicians

Hi Shannon,

I hope you had a good weekend!

We're just writing to follow up on the credentialing process for our Wilmer physicians. Dr. An is awaiting an email to begin the process but has not yet heard from Fifth Avenue. Is there anything we can do to jumpstart that process, as she's eager to start operating in October, if possible?

And could you kindly please add Jithin Yohannan to the credentialing list? His email is: jyohann1@jhmi.edu.

Many thanks,
Rachel.

Rachel J. Bishop, M.D., M.P.H.
Assistant Professor of Ophthalmology
Wilmer Eye Institute
Johns Hopkins University School of Medicine

From: Rachel J. Bishop <rbishop6@jhmi.edu>
Sent: Tuesday, August 9, 2022 7:30 PM
To: Shannon Magro <shannon.magro@physicianssurgerycenter.net>; Cathy Kowalewski <ckowal@jhmi.edu>
Cc: Deborah Phillips <daphillips@jhmi.edu>
Subject: Re: Agreement

Dear Shannon,

Thanks so much for a terrific visit yesterday, and taking the time to answer our collective questions! Dr. An is excited to soon be bringing cases to PSCF, and I'm also glad you got to meet our Wilmer Frederick administrator, Jessica.

- I'll connect Dr. Thadani and Dr. An by text, and will also see whether Dr. Thadani is available to meet briefly with both of us (by phone or video) - just to say hello. Then Dr. An can arrange a time to join him in his OR for a few cases.
-
- The physicians we currently wish to get privileged at PSCF are:
 -
 - Dr. Jella An (glaucoma): jan22@jh.edu
 - Dr. Elyse McGlumphy (glaucoma): emcglum1@jhmi.edu
 - Dr. Dean Glaros (comprehensive): dglaros1@jhmi.edu
 - Dr. Allen Eghrari (cornea): allen@jhmi.edu
 - Dr. An may also be adding her fellow
- I'll fill the in on some of them details of PSCF (you'll see a separate email), and they will expect an outreach from CVO Fifth Avenue Services re. credentialing. We may also add additional physicians as things get going.

I know we'll be speaking again soon! Please reach me any time with questions: 301-905-2278.

Cheers,
Rachel.

From: Cathy Kowalewski <ckowal@jhmi.edu>
Sent: Friday, July 15, 2022 5:04 PM
To: Shannon Magro <shannon.magro@physicianssurgerycenter.net>
Cc: Deborah Phillips <daphillips@jhmi.edu>; Rachel J. Bishop <rbishop6@jhmi.edu>
Subject: RE: Agreement

Shannon,

I am pleased on this late Friday afternoon to send some good news that our agreement has been fully executed. I've attached it here for your records. I am copying Debi Phillips and Rachel Bishop, who you've communicated with initially from the Frederick Wilmer practice. They and perhaps our manager in Frederick (Jessica Schmidt) will communicate with you from here to have our surgeons apply for credentialing, following by arranging time for them to operate when all pieces are in place.

I will also be contacting our malpractice administrator to have her establish and send malpractice extension notices to me which I will forward to you for each of our surgeons who plan to come there. If I've missed anything, please do not hesitate to let me know.

This is a very exciting chapter for us in Frederick and we appreciate your willingness to help us meet our patients surgical needs locally.

Best regards,

Cathy Kowalewski, MBA
Administrator
Wilmer Eye Institute, Johns Hopkins Medicine
Mobile: 443-506-8502
Visit: www.hopkinsmedicine.org/wilmer

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See attached executed agreement: EXHIBIT 5c.

EXHIBIT 5b. Cont.

AFFILIATION AGREEMENT
BETWEEN
THE JOHNS HOPKINS UNIVERSITY
AND
PHYSICIANS SURGERY CENTER OF FREDERICK, LLC

THIS AFFILIATION AGREEMENT is entered into this 1st day of July 2022 (the "Effective Date"), by and between THE JOHNS HOPKINS UNIVERSITY, a not-for-profit Maryland corporation, located at 600 N. Wolfe Street, Baltimore, Maryland 21287, for and on behalf of its School of Medicine, Department of Ophthalmology ("JHU"), and Physicians Surgery Center of Frederick (PSCF), a Maryland limited liability company located at 81 Thomas Johnson Court, Suite B Frederick, MD 21702,

RECITALS

WHEREAS, PSCF operates an ambulatory surgical center in the Frederick, Maryland area (the "ASC") through which surgical services are provided to patients on an outpatient basis; and

WHEREAS, JHU operates an ophthalmology clinic through which it provides services to patients who sometimes require outpatient surgery; and

WHEREAS, the parties desire to enter into an affiliation pursuant to which JHU patients may receive surgical services performed by JHU's physicians at PSCF's ASC on an as-needed basis.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties, intending to be legally bound, hereby agree as follows.

1. RESPONSIBILITIES OF THE PARTIES.

a. RESPONSIBILITIES OF JHU. Throughout the Term of this Agreement, JHU shall:

- i. Work with PSCF to ensure that each JHU physician who will provide surgical services through PSCF hereunder (each, a "Physician") is properly credentialed and a member in good standing of the medical staff of PSCF;
- ii. Cause each Physician to follow the reasonable policies and procedures of PSCF, including its Medical Staff By-laws, copies of which will be promptly provided to JHU upon its request;
- iii. Not bill for, seek payment for, or collect for technical services provided by PSCF hereunder;

- iv. Provide PSCF with any information concerning Physician services to patients served under this Agreement that PSCF may reasonably request to comply with payer agreements, professional obligations to patients, or law, or to avoid or resolve disputes arising from same; and
- v. Work with PSCF to cause JHU patients who receive surgical services at the ASC to pay to PSCF, on the date services are performed by JHU, the cost of any fees or expenses that are not covered or reimbursed by third party payers (e.g. lenSx, restor premium IOLs (presbyopic, multi-focal, toric) and cosmetic fees) according to PSCF's fee schedule.

b. RESPONSIBILITIES OF PSCF. Throughout the term of this Agreement, PSCF

- i. Provide the Physicians with access to and use of all PSCF facilities, equipment, supplies, and services (including without limitation patient scheduling and nursing support services) that are reasonably necessary for the Physicians to perform the surgeries at the ASC in accordance with customary professional standards; provided, however, that JHU understands that (i) access to the ASC will be provided during normal and routine business hours, in accordance with schedules set and administered by the Medical Director or staff of PSCF, (ii) PSCF does not maintain on-call staff, and cannot accommodate emergency or unscheduled visits to the ASC, (iii) PSCF's staff and Medical Director shall have discretion in assigning and allocating the use of the ASC as among the Physicians and other medical professionals who use the ASC, and (iv) PSCF does not perform anesthesia services, which are performed by third party independent contractors, and which services will be billed separately to patients by those providers.
- ii. Require PSCF's management, medical staff, employees, agents and contractors to cooperate with the Physicians, in the same manner as they do with ASC staff generally, so that the Physicians can treat patients at the ASC in an efficient and effective manner;
- iii. Maintain the ASC in compliance with all applicable laws and regulations governing licensure or operation of such facilities (including without limitation all laws governing licensure or approval to operate equipment maintained at the ASC and laws regarding maintaining an effective procedure for transfers of patients requiring emergency hospital care), accreditation by The American Association for Accreditation of Ambulatory Surgical Facilities, or participation in Medicare and Medicaid and other material

- government programs, and shall notify JHU in writing promptly if there is a lapse in such compliance at any time;
- iv. Not bill for, seek payment for, or collect for professional services provided by the Physicians at the ASC;
 - v. Comply with law in all operations of the ASC and other activities relevant to this Agreement; and
 - vi. Provide JHU with any information concerning services hereunder or Physician services to patients served pursuant to this Agreement that JHU or any of the Physicians may reasonably request to comply with payer agreements, professional obligations to patients, or law, or to avoid or resolve disputes arising from same. JHU understands that PSCF participates in certain third party payer networks, and recognizes that patients will be admitted to the ASC only if they have coverage provided by payers associated with networks in which PSCF participates.

2. TERM AND TERMINATION

- a. TERM. The term of this Agreement shall commence on the Effective Date and shall expire on the first anniversary of the Effective Date (such period, together with any renewals, the "Term"). This Agreement shall automatically be renewed for successive one-year periods, unless otherwise terminated as set forth herein. If this Agreement is terminated early for any reason, then the parties agree not to contract with each other for the same or similar services, as contemplated hereby, until the date that the thencurrent Term would have expired had the Agreement not been terminated early.
- b. TERMINATION WITHOUT CAUSE. Either Party may terminate this Agreement immediately for any or no reason after providing sixty (60) days written notice to the other Party. The Parties also may by mutual written agreement terminate this Agreement at any time.
- c. IMMEDIATE TERMINATION. This Agreement may be terminated immediately by either party in the event the other party:
 - i. admits in writing its inability to generally pay its debts when due, applies for or consents to the appointment of a receiver, trustee or liquidator of all or substantially all of its assets, or files a petition in bankruptcy or makes an assignment for the benefit of creditors, or upon other action taken or suffered

by the non-terminating party, voluntarily or involuntarily, under any law or regulation, for the benefit or creditors;

ii. loses any license, permit or approval required by applicable law or regulation or necessary for the operation of its business or the performance of its obligations hereunder; or

iii. commits a material breach of this Agreement that is uncured for fifteen (15) days following written notice from the terminating party.

d. **EFFECT OF TERMINATION.** Upon termination of this Agreement, neither party shall have any further rights or obligations nor incur any further liabilities hereunder; provided, however, that termination shall not affect any liabilities which accrued prior to termination.

3. BILLING

Each party hereunder shall be responsible for billing patients and third party payors for the services that it provides to or on behalf of such patients. For the avoidance of doubt, all professional fee billing for services provided by the Physicians shall be performed by JHU, and all billing for use of the ASC facility shall be performed by PSCF. In each case, billing shall be performed in full compliance with all federal, state and local laws and regulations, as well as applicable third party payor guidelines. As noted in Paragraph 1.a.v, above, billing for anesthesia services will be performed by separate independent contractors, and not by PSCF,

4. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

- a. Each party represents and warrants that, in performing its obligations hereunder, it shall comply with all applicable federal, state and local laws, regulations and rules. PSCF further represents and warrants to JHU that the equipment, support services, emergency procedures and security at the ASC are sufficient to meet all applicable legal and regulatory standards, and are otherwise adequate for the provision of services to patients at the ASC facility.
- b. Each party represents and warrants to the other that it shall at all times accurately reflect the transactions set forth herein on its books and records, including, as applicable, all cost reports and other financial reports to governmental authorities.
- c. Each party represents and warrants to the other that that all of the individuals employed by it who provide professional services to patients hereunder shall be qualified in education and experience to furnish the services contemplated hereunder of him or her, and shall have and all times during the term maintain all individual licenses, permits and certifications, if any, required for such individual to perform her duties.

- d. Each party represents and warrants to the other that: (i) this Agreement has been duly authorized by all necessary corporate action of such party, if any, and when executed shall be a lawful agreement enforceable in accordance with its terms; and (ii) entering into and performing this Agreement does not violate any contract, agreement or legal obligation to which it is subject.

5. NO SOLICITATIONS FOR EMPLOYMENT

- a. Each party acknowledges and agrees that employees of the other party were and will be recruited, oriented and trained at great expense by that party, and that the employing party has a compelling interest in maintaining its contractual relationships and expectancy of future contractual relationships with its employees. Each party further acknowledges that if any of the employees of the other party were to terminate his/her relationship with the employing party and render services to the other party, that party would be unfairly benefited, without adequate compensation to the employing party.
- b. Accordingly, each party covenants that it shall not, during the term of this Agreement and for a period of two (2) years thereafter, make offers or contracts for employment with any of the employees of the other party.
- c. PSCF agrees that in the event it enters into any employment agreement with any Physician during the term specified above, PSCF shall pay JHU liquidated damages in the amount of \$150,000 for each individual so engaged. JHU agrees that in the event it enters into any employment arrangement with any employee of PSCF during the term specified above, JHU shall pay liquidated damages in the amount of \$50,000 for each individual so engaged. Each party agrees that the restrictions and liquidated damage provisions set forth in this Paragraph 5 shall not apply to (i) individuals hired as a result of their response to general advertisements in the mass media that are not directly targeted at the other party's employees, (ii) individuals hired as a result of their participation in job fairs, (iii) individuals hired as a result of web site postings of open positions, or (iv) the hiring of an employee who was previously terminated by the other party, .

6. MEDICAL RECORDS

All medical records and files maintained at the ASC shall belong to and remain the property of PSCF. On termination or expiration of this Agreement, JHU may request and shall be provided a copy of any medical record or charts related to any patient who has been treated by JHU as allowed by applicable law. In addition, JHU and its insurance carrier and their legal representatives, may have access to any medical records and files as allowed by applicable law.

7. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT

- a. HIPAA. Solely for purposes of the Health Insurance Portability and Accountability Act of 1996 and the Administrative Simplification Regulations promulgated thereunder (45 CFR Pmts 162 and 164) (collectively "HIPAA"), the Physicians shall be viewed as "work force members" of PSCF.
- b. PSCF shall be responsible for compliance with all HIPAA requirements including, but not limited to, meeting transactions and code sets standards, security standards and standards relating to protection for electronic health information and privacy of individually identifiable health information.
- c. While engaged in any activities at the ASC, the Physicians shall follow all reasonable HIPAA policies and procedures of PSCF, of which they are made aware.

8. LIABILITY INSURANCE AND INDEMNIFICATION

- a. JHU shall carry current professional liability insurance covering each Physician in the minimum annual amount of \$1,000,000.00 per claim and \$3,000,000.00 aggregate. PSCF shall carry current professional liability insurance in the minimum annual amount of \$1,000,000.00 per claim and \$3,000,000.00 in aggregate covering its employees, agents and representatives providing services at the ASC as well as general liability insurance in the minimum annual amount of \$1,000,000.00 per claim and \$3,000,000.00 in the aggregate. Each party shall provide the other with satisfactory evidence of coverage and provide ten (10) days' notice of cancellation or non-renewal of insurance.
- b. JHU agrees to indemnify and hold harmless PSCF and its employees for any and all liability, including reasonable attorney's fees, against PSCF and/or its employees arising from any cause of action caused solely by the negligent act or omission by JHU, its agents, or its employees (including the Physicians) in connection with services provided to patients at the ASC. PSCF agrees to indemnify and hold harmless JHU, Johns Hopkins Health System Corporation ("JHHS") and their employees for any and all liability, including reasonable attorney's fees, against JHU, JHHS and/or their employees arising from any cause of action caused solely by negligent acts or omissions by PSCF, its agents or its employees in connection with services provided to patients at the ASC. The indemnifying party shall have the right to select and supervise defense counsel and to make defense and settlement decisions. The party seeking indemnification shall have the duty to cooperate in the investigation and defense of claims.

9. CONFIDENTIALITY AND USE OF NAME

- a. Confidential information furnished by either party (the "Disclosing Party") to the other (the "Receiving Party") pursuant to this Agreement is the property of the Disclosing

Party and shall be treated as confidential and shall not be disclosed to third parties by the Receiving Party and its employees without the Disclosing Party's prior approval. A party's Confidential Information shall not include information which: (i) is or becomes a part of the public domain through no act or omissions of Receiving Party; (ii) was in the Receiving Party's lawful possession prior to the disclosure and had not been obtained by the Receiving Party either directly or indirectly from the Disclosing Party; (iii) is lawfully disclosed to the Receiving Party by a third party without restriction on disclosure; or (iv) is independently developed by the Receiving Party. In the event that the Receiving Party receives a binding request from a governmental agency or court requiring disclosure of Confidential Information, the Receiving Party will notify the Disclosing Party in sufficient time to permit the Disclosing Party to object to and defend against the disclosure.

b. Use of Name.

- i. PSCF recognizes the substantial value and goodwill associated with the name Johns Hopkins and its trade and service marks (collectively referred to herein as the "Marks") and that the Marks have acquired a secondary meaning as being synonymous with medical services and education of the highest quality and pioneering health and medical research. PSCF agrees that it will conduct its business in accordance with the highest legal and ethical standards and in compliance with all applicable Laws, so as to protect and enhance the goodwill embodied in the Marks and the reputation of JHU. All marketing and promotion of PSCF using the Marks shall be done in a dignified, tasteful and professional manner in keeping with the standards of JHU.
- ii. Before any actual usage of the Marks, PSCF must submit to JHU a detailed description of such usage (the "Usage Plan"). The Usage Plan must reflect the general nature and context of each proposed use of the Marks, including, without limitation, the media in which the Marks will be used, the frequency and prominence with which the Marks will be used and the juxtaposition of the Marks with other content and include graphic depictions of the location(s) and prominence of the Marks. The Marks shall in no event be used in a manner that implies: endorsement of any product, service or organization except the affiliation with PSCF pursuant to this Agreement. With respect to PSCF, the Marks shall be of lesser prominence than, and no more than one-third the size of, the name of PSCF and used so as to indicate that the relationship created by this Agreement is an affiliation only and not a partnership or joint venture. These restrictions apply to any usage of the Marks whether in a formal marketing campaign, a press release or otherwise. JHU may limit its approval of a Usage Plan to a specified duration of time and, at the end of such time

period, usage of the Marks pursuant to such Usage Plan shall cease unless JHU agrees, in its sole discretion, to an extension of such Usage Plan.

- iii, Requests for approval of a Usage Plan shall be submitted by PSCF at least fourteen (14) days in advance to Johns Hopkins Medicine Marketing and Communications. Only Johns Hopkins Medicine Marketing and Communications shall have authority to grant approval for a Usage Plan. Any such approval must be in writing, signed by a representative of Johns Hopkins Medicine Marketing and Communications. PSCF shall not be entitled to rely on any other form of communication from JHU either verbal or written. In addition, PSCF must obtain such written consent of Johns Hopkins Medicine Marketing and Communications as a condition to the participation of any faculty, staff, student or administrator of JHU in any press conference, press release, interview or other communication with any media that is initiated by PSCF. JHU shall have the right, but not the obligation, to request at any time samples of PSCF's then current promotional, marketing and other materials that contain the Marks. JHU shall advise PSCF in writing of any use which has not been authorized pursuant to this Agreement, and PSCF shall immediately cease such use,

10. MISCELLANEOUS

- a. Compliance with Laws. Both parties shall perform this Agreement in compliance with all applicable Federal, State, and local laws, rules, regulations, and ordinances, and represents that it shall have obtained all licenses and permits required by law to engage in the activities necessary to perform its obligations under this Agreement.
- b. Notices. All notices and other communications pertaining to this Agreement shall be in writing and shall be deemed duly to have been given if personally delivered to the other party or if sent by the United State Postal Service certified mail, return receipt requested, postage prepaid, or by Federal Express, United Parcel or other nationally recognized overnight carrier. All notices or communications between JHU and PSCF pertaining to this Agreement shall be addressed as follows:

If to JHU:

The Johns Hopkins University — Department of Ophthalmology
Attention: Cathy Kowalewski, Administrator
600 N. Wolfe st., Wilmer Bldg. Room 110 Baltimore,
MD 21287

With copies to:

The Johns Hopkins University
Attention: Vice President and General Counsel

3400 Charles Street
Baltimore, Maryland 21218

The Office of Johns Hopkins Physicians
Attention: Joe Bezek
Senior Director of Finance 6201
Greenleigh Avenue, 2nd Floor
Middle River, MD 21220

Ifto PSCF:
Physicians Surgery Center of Frederick, LLC
Attention: Scott E. Andochick, MD, DDS
81 Thomas Johnson Ct., Suite B
Frederick, MD 21702

Any party may change its notification address by giving written notice to that effect to the other party in the manner provided herein.

- c. Modifications. No revision or modification of this Agreement shall be effective unless in writing and executed by authorized representative of both parties.
- d. Severability. If any portion of this Agreement is held invalid, such invalidity shall not affect the validity of the remaining portions of the Agreement, and the parties will substitute for any such invalid portion hereof a provision which best approximates the effect and intent of the invalid provision.
- e. Construction and Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland (excepting any conflict of laws provisions which would serve to defeat application of Maryland substantive law). Each of the parties hereto submits to the exclusive original jurisdiction of the state and/or federal courts located within the State of Maryland for any suit, hearing or other legal proceeding of every nature, kind and description whatsoever in the event of any dispute or controversy arising hereunder or relating hereto, or in the event any ruling, finding or other legal determination is required or desired hereunder.
- f. Waiver. Any waiver by either party of a breach of any provision of this Agreement shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Agreement. The failure of a party to insist upon strict adherence to any term of this Agreement on one or more occasions shall neither be considered a waiver nor deprive that party of any right thereafter to

insist upon strict adherence to that term or any other term of this Agreement. Any waiver must be in writing and signed by the party to be charged therewith.

g. Excluded Provider.

i. JHU warrants that neither it nor any of the Physicians are sanctioned or excluded from any federally funded health care programs as provided in Sections 1128 and 1128A of the Social Security Act (42 U.S.C. 1320a-7a). JHU further agrees that it will notify PSCF immediately in the event it, or any of the Physicians become sanctioned or excluded from any federally funded health care programs. Such notification shall include the grounds for sanction or exclusion and the duration thereof.

ii. PSCF warrants that neither it nor any its personnel providing services at the ASC are sanctioned or excluded from any federally funded health care programs as provided in Sections 1128 and 1128A of the Social Security Act (42 U.S.C. 1320a-7a). PSCF further agrees that it will notify JHU immediately in the event it, or any of the personnel providing services at the ASC become sanctioned or excluded from any federally funded health care programs. Such notification shall include the grounds for sanction or exclusion and the duration thereof.

h. No Obligation to Make Referrals. Each party agrees that it is not providing support, services or facilities in exchange for patient referrals or other business generated by or among the parties and/or any of their respective affiliates, and that the benefits afforded either party under this Agreement are not payment for, and are not in any way contingent upon, the volume or value of referrals for health care services or other items or services.

i. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. Any such counterpart signature page may be delivered by electronic means, scanned/.pdf or facsimile,

j. Assignment. Neither party may assign this Agreement in whole or in part without the prior written consent of the other party.

k. Entire Agreement. This Agreement constitutes the entire agreement between the parties, and supersedes all prior oral or written agreements, understanding, representations and warranties, and courses of conduct and dealing between the Parties on the subject matter hereof.

- l. Federal False Claims Act. In accordance with the Deficit Reduction Act of 2005, the parties acknowledge the following. The False Claims Act ("FCA"), 31 U.S.C. 37293733, prohibits submitting, or causing to be submitted, a false or fraudulent claim for payment to the U.S. government. Violations of the FCA are punishable by three times the government's damages plus civil penalties, as of 2018, of \$10,781.40 to \$21,916 per false claim, as well as suspension of payment and exclusion from Medicare and Medicaid. Under the FCA, persons may file a qui tam or whistleblower lawsuit against an individual or entity on behalf of themselves and the government. The person filing the lawsuit is protected against discharge, demotion, suspension, threats, harassment, and discrimination related to such lawsuit. The law establishes remedies for individuals who are retaliated against on account of bringing a false claims action. Information regarding a potential false claims violation should be reported to the Johns Hopkins Corporate Compliance Office at 1-844-SPEAK2US.
- m. Change in Laws or Regulations. If, during the Term of this Agreement, any federal, State, or local governmental body or agency, or any court or administrative tribunal, passes, issues, or promulgates any law, rule, regulation, standard, interpretation, order, decision, or judgment which, in the good faith judgment of either party (the "Affected Party"): (a) causes one or both of the parties to be in violation of any applicable law, rule, or regulation as a result of this Agreement, (b) restricts, limits, or in any way substantially changes the method or the right of PSCF or JHU to submit claims for services provided at the ASC to any patient or third party payor, (c) materially and adversely affects, or is likely to materially and adversely affect, either party's tax exempt status or tax-exempt financing, or (d) subjects JHU or PSCF to the risk of sanctions under federal tax law, the Affected Party may give the other party notice of the problem and of its intent to amend this Agreement so as to eliminate the problem. The parties shall then negotiate in good faith to resolve the problem while at the same time preserving, to the fullest extent possible, the substance of this Agreement. If this Agreement is not amended to the reasonable satisfaction of the Affected Party within thirty (30) days after notice is given (or sooner, if required by law), the Affected Party may terminate this Agreement immediately upon written notice to the other party.
- n. No Special or Punitive Damages • Waiver of Trial by Jury. Neither party to this Agreement shall be liable to the other party for any special, or punitive damages arising out of or resulting from this Agreement. NO PARTY SHALL ELECT, AND EACH PARTY HEREBY WAIVES ITS RIGHT TO, A TRIAL BY JURY IN CONNECTION WITH ANY MATTER, SUIT, COUNTERCLAIM OR OTHER PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT
- O. Access to Books and Records. The parties to this Agreement shall, in accordance with 42 U.S.C. § 1395x(v)(1)(I) and 42 C.F.R. Part 420, Subpart D §420.300 et seq., until

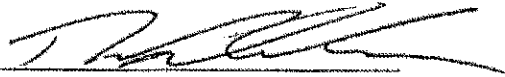
the expiration of four (4) years after the furnishing of services pursuant to this Agreement, upon proper written request, allow the Comptroller General of the United States, the Secretary of Health and Human Services, and their duly authorized representatives access to this Agreement and to books, documents and records necessary to certify the nature and extent of the costs of services provided under this Agreement. In accordance with such laws and regulations, if services provided under

this Agreement are carried out by means of a subcontract with an organization related to the parties, and such related organization provides the services at a value or cost of \$10,000 or more over a twelve month period, then the subcontract between that party and the related organization shall contain a clause comparable to the clause specified in the preceding sentence. The parties agree to notify each other in writing within ten (10) days upon receipt of any request for access.

[INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, The Johns Hopkins University and PSCF have executed this Agreement, under seal, as of the day and year first written above by their duly authorized representatives.

THE JOHNS HOPKINS UNIVERSITY



1e: ~~Paul D. Rothman, M.D.~~

2: ~~Vice President of Medicine and Dean of the Medical Faculty~~

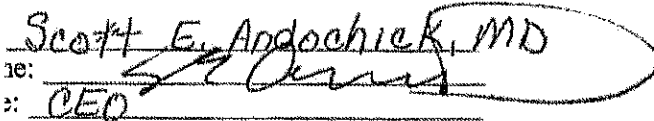
By:

Name:

Theodore L. DeWeese, M.D.

Title: Interim Vice President of Medicine and Dean of the Medical Faculty

PHYSICIANS SURGERY CENTER OF FREDERICK, LLC



1e:

2: ~~CEO~~

By:

Name:

Title:

II. Utilization and Volume Projections

6. Please resubmit the surgical cases and surgical minutes consistent with Addendum B for each physician performing surgery at PSCF based on the applicant's updated timeline: **(EXHIBIT 6)**

- a. The historical utilization (2020 and 2021); **(EXHIBIT 6)**
- b. The utilization during the construction period for project (2022 through 2023); **(EXHIBIT 6)**
and
- c. The projected volumes upon completion of the new addition (2024 through 2026, which is the projected second full year of operation after project completion). **(EXHIBIT 6)**
- d. The projections in Addendum B should be consistent with the Table 1 and 2 responses for the revised utilization projections in previous Question #3. **(EXHIBIT 7)**

Surgical Minutes Consisted with Addendum B for Each Physician Performing Surgery at PSCF

Surgeon	2020 Minutes	2021 Minutes	2022 Minutes	2023 Minutes	2024 Minutes	2025 Minutes	2026 Minutes							
Andoichick	69	10902	38	6636	50	7900	70	11130	90	14420	95	15105	75	15025
Nesbitt	653	29385	720	32535	744	33480	784	35280	804	36180	810	36450	815	36675
Levine	166	17430	190	19950	260	27300	295	30975	325	34125	340	35700	340	35700
Horton	59	4307	250	18615	400	29200	475	34675	550	40150	625	45625	700	51100
Walsh	20	1386	12	750	140	8820	180	11340	210	13230	212	13356	215	13545
Gupta	5	360	11	792	72	5184	138	9936	190	13680	195	14040	195	14040
Thadani	516	12384	697	16752	725	17400	790	18960	850	20400	860	20640	875	21000
Petrucelli	0	0	20	1660	31	2573	65	5395	90	7470	95	7885	100	8300
Sanders	0	0	26	2574	70	6930	70	6930	70	6930	75	7425	75	7425
Evans	0	0	8	1104	40	5520	90	12420	110	15180	115	15870	115	15870
Henry	8	424	21	1113	30	1590	50	2650	75	9375	75	9375	75	9375
Mecinski	318	15459	321	16655	320	16660	350	18100	350	18750	335	18355	345	18835
Copaken	0	0	0	0	18	828	28	1288	30	1380	30	1380	30	1380
Steinberg	239	16321	253	30644	98	29615	0	0	0	0	0	0	0	0
TOTAL OR Cases to calculate Optimal Capacity	2053		2567		2998		3385		3744		3862		3955	
Total Procedure Room Cases Not Included in Operating Room cases totals and total minutes to calculate OR														
Optimal Capacity	15	525	59	2100	100	3559	100	3559	150	5250	175	6125	200	7000
Total Cases for PSCF	2068		2626		3098		3485		3894		4037		4155	
Total OR Cases/ minutes per year (minus procedure room cases See table 1 and 2)	2053	108358	2567	149780	2998	193000	3385	199079	3744	231270	3862	241206	3955	248270
Total Surgical minutes + TAT		159683		213955		267950		283704		324870		337756		347145
Optimal Capacity -Mixed Use General Purpose ASC OR's		97,920		97,920		97,920		97,920		97,920		97,920		97,920
Total Optimal Capacity at PSCF		195,840		195,840		195,840		391,681		391,681		391,681		391,681
Actual Optimal Capacity Utilization with "2" Operating Rooms		81%		109%		137%								
Actual Optimal Capacity Utilizations with "4" Operating Rooms								72%		83%		86%		89%

Note: In order to accommodate case loads for 2021 and 2022 PSCF extended its hours of operation beyond 8 hours per day as needed.

Note: Per COMAR 10.24.11.06 -1.b.iii.(iii) Has optimal capacity of 80 percent of full capacity, which is 1,632 hours per year, which includes the time during which surgical procedures are being performed and room turnaround time between surgical cases, unless an applicant demonstrates that a different optimal capacity standard is applicable.

Note: Estimates from Addendum B are conservative

Note: Six Ophthalmologists are in the process of receiving credentials at PSCF pending approval in September 2022 and will significantly increase annual case load

Individual Physician's Submission (provide this form for each physician who will do procedures at the proposed facility)

Specialty: Orthopedic Surgery

Physician Name Rishi Gupta, MD	Surgical Volume (Latest 2 complete years 2020-2021 attached) Utilization during construction of Project 2022-2023				Projections						Facility(s) from which these cases will be migrating
	Year 2022		Year 2023		Year 1: 2024		Year 2: 2025		Year 3: 2026		
	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	
	72	5184	138	9936	190	13680	195	14040	195	14040	Little migration from other facilities
											Office Referrals

5 most frequently performed surgeries, two most recent years		
Surgical Procedure*	Yr. 1: 2020	Yr2 : 2021
ORIF Lower Extremity	2	0
Manipulation of Knee	2	0
I&D Lower Extremity	1	0
Open Knee	0	4
Arthroscopy Meniscectomy	0	6

* List in descending order based on the cumulative 2 year volume

I hereby declare and affirm under the penalties of perjury that the facts stated in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature Rishi R Gupta

Print Name: Rishi R Gupta

Individual Physician's Submission (provide this form for each physician who will do procedures at the proposed facility)

Physician Name Sunil Thadani, MD	Surgical Volume (Latest 2 complete years 2020-2021 attached) Utilization during construction of Project 2022-2023				Projections						Facility(s) from which these cases will be migrating
	Year 2022		Year 2023		Year 1: 2024		Year 2: 2025		Year 3: 2026		
	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	
	725	17400	790	18960	850	20400	860	20640	875	21000	
					NA: No migration from other facilities						

5 most frequently performed surgeries, two most recent years			
Surgical Procedure*	Yr 1: 2020	Yr2: 2021	
Cataract Extraction	494	640	
Pterygium Excision	6	18	
Endothelial Keratoplasty	8	9	
Corneal Biopsy	4	1	
Corneal Lobellar Goniectomy	4	19	

* List in descending order based on the cumulative 2 year volume

I hereby declare and affirm under the penalties of perjury that the facts stated in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature

Print Name: Sunil Thadani, MD

Individual Physician's Submission (provide this form for each physician who will do procedures at the proposed facility)

Specialty: Orthopedic Surgery

Physician Name Steven Horton, MD	Surgical Volume (Latest 2 complete years 2020-2021 attached) Utilization during construction of Project 2022-2023				Projections						Facility(s) from which these cases will be migrating
	Year 2022		Year 2023		Year 1: 2024		Year 2: 2025		Year 3: 2026		
	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	
	400	29200	475	34675	550	40150	625	45625	700	51100	Office Referrals

5 most frequently performed surgeries, two most recent years			
Surgical Procedure*	Yr. 1: 2020		Yr2: 2021
Distal Radius Fracture ORIF	19		57
Carpal Tunnel Release	13		72
Open Carpal Tunnel Release	9		33
Trigger Finger Release	4		25
Cubital Tunnel Release	1		20

* List in descending order based on the cumulative 2 year volume

I hereby declare and affirm under the penalties of perjury that the facts stated in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature

Print Name:

Steven Horton

Individual Physician's Submission (provide this form for each physician who will do procedures at the proposed facility)

Physician Name Adam Mecinski, MD	Surgical Volume (Latest 2 complete years 2020-2021 attached) Utilization during construction of Project 2022-2023				Projections						Facility(s) from which these cases will be migrating
	Year 2022		Year 2023		Year 1: 2024		Year 2: 2025		Year 3: 2026		
	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	
	420	20160	450	21600	500	24000	510	24480	520	24960	NA: No migration from other facilities MD Referrals

5 most frequently performed surgeries, two most recent years			
Surgical Procedure*	Yr 1: 2020	Yr2: 2021	
Breast Reconstruction	16	27	
Breast Reduction	24	20	
Lesion Excision Head and Trunk	135	128	
Debridement	53	45	
Mass Excision	28	64	

* List in descending order based on the cumulative 2 year volume

I hereby declare and affirm under the penalties of perjury that the facts stated in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature Adam Mecinski
Print Name: Adam Mecinski

Individual Physician's Submission (provide this form for each physician who will do procedures at the proposed facility)

Physician Name Kristin Nesbitt Silon, MD	Surgical Volume Latest 2 complete years				Projections						Facility(s) from which these cases will be migrating
	Year 2022		Year 2023		Year 1: 2024		Year 2: 2025		Year 3: 2026		
	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	
	744	33480	784	35280	804	36180	810	36450	815	36675	
											NA: No migration from other facilities

5 most frequently performed surgeries, two most recent years		
Surgical Procedure*	Yr 1: 2020	Yr2: 2021
ECTR	326	346
TF Release	75	86
Cubital Tunnel	28	27
Excision Wrist Ganglion	28	56
Dequervians	11	26

* List in descending order based on the cumulative 2 year volume

I hereby declare and affirm under the penalties of perjury that the facts stated in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature Kristin Nesbitt

Print Name: Kristin Nesbitt Silon

Individual Physician's Submission (provide this form for each physician who will do procedures at the proposed facility)

Physician Name Scott Andochoick, MD	Surgical Volume Latest 2 complete years				Projections						Facility(s) from which these cases will be migrating
	Year 2022		Year 2023		Year 1: 2024		Year 2: 2025		Year 3: 2026		
	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	
	50	7900	70	11130	90	14420	95	15105	100	15900	
NA: No migration from other facilities											
MD Referrals											

5 most frequently performed surgeries, two most recent years		
Surgical Procedure*	Yr 1 2024	Yr 2 2024
Breast Reconstruction	36	32
Breast Reduction	3	4
Lesion Excision and Biopsy	3	1
Scar Revision	3	1
Mass Excision and Biopsy	1	0

* List in descending order based on the cumulative 2 year volume

I hereby declare and affirm under the penalties of perjury that the facts stated in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature

Print Name: Scott E. Andochock, MD

Individual Physician's Submission (provide this form for each physician who will do procedures at the proposed facility)

Physician Name Matthew Levine, MD	Surgical Volume (Latest 2 complete years 2020-2021 attached) Utilization during construction of Project 2022-2023						Projections						Facility(s) from which these cases will be migrating NA: No migration from other facilities Office Referrals
	Year 2022			Year 2023			Year 1: 2024		Year 2: 2025		Year 3: 2026		
	Cases	Minutes		Cases	Minutes		Cases	Minutes	Cases	Minutes	Cases	Minutes	
	260	27300		295	30975		325	34125	340	35700	340	35700	

5 most frequently performed surgeries, two most recent years			
Surgical Procedure*	Yr 1: 2020	Yr2: 2021	
Rotator Cuff Repair	88	71	
Arthroscopy Meniscectomy	25	27	
ORIF Upper Extremity	16	14	
Biceps Tendon Repair	9	9	
Knee Arthroscopy	7	1	

* List in descending order based on the cumulative 2 year volume

I hereby declare and affirm under the penalties of perjury that the facts stated in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature _____

Individual Physician's Submission (provide this form for each physician who will do procedures at the proposed facility)

Specialty: Orthopedic Surgery

Physician Name Cory Walsh, MD	Surgical Volume (Latest 2 complete years 2020-2021 attached) Utilization during construction of Project 2022-2023						Projections						Facility(s) from which these cases will be migrating	
	Year 2022		Year 2023				Year 1: 2024		Year 2: 2025		Year 3: 2026			NA: No migration from other facilities
	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes		
	140	8820	180	11340	210	13230	212	13356	215	13545	Office Referrals			

5 most frequently performed surgeries, two most recent years			
Surgical Procedure*	Yr. 1: 2020	Yr2: 2021	
Arthroscopy Meniscectomy	11	6	
ORIF Lower Extremity	3	0	
ORIF Upper Extremity	2	0	
Open Knee	0	5	
Bursa Excision	0	1	

* List in descending order based on the cumulative 2 year volume

I hereby declare and affirm under the penalties of perjury that the facts stated in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature Cory Walsh

Print Name: Cory Walsh

Individual Physician's Submission (provide this form for each physician who will do procedures at the proposed facility)

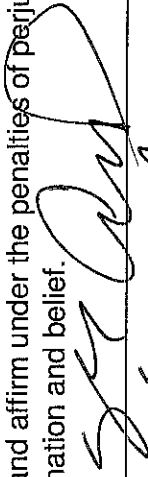
Specialty: Orthopedic Surgery

Physician Name Gabriel Petruccelli, MD	Surgical Volume (Latest 2 complete years 2020-2021 attached) Utilization during construction of Project 2022-2023				Projections						Facility(s) from which these cases will be migrating	
	Year 2022		Year 2023		Year 1: 2024		Year 2: 2025		Year 3: 2026			
	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes		
	31	2573	65	5395	90	7470	95	7885	100	8300		
											Office Referrals	None from Holy Cross

5 most frequently performed surgeries, two most recent years			
Surgical Procedure*	Yr. 1 2020	Yr 2 2021	
Arthroscopy Rotator Cuff Repair	0	4	
Arthroscopy Meniscectomy	0	4	
Arthroscopy Shoulder	0	4	
Hardware Removal	0	2	
Tendon Repair	0	1	

* List in descending order based on the cumulative 2 year volume

I hereby declare and affirm under the penalties of perjury that the facts stated in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature 
 Print Name: SCOTT ANDRICH

Individual Physician's Submission (provide this form for each physician who will do procedures at the proposed facility)

Specialty: Orthopedic Surgery

Physician Name Samuel Sanders, MD	Surgical Volume (Latest 2 complete years 2020-2021 attached) Utilization during construction of Project 2022-2023				Projections						Facility(s) from which these cases will be migrating
	Year 2022		Year 2023		Year 1: 2024		Year 2: 2025		Year 3: 2026		
	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	
	70	6930	70	6930	70	6930	75	7425	75	7425	Little migration from other facilities
											Office Referrals
											None from Holy Cross

5 most frequently performed surgeries, two most recent years			
Surgical Procedure*	Yr. 1: 2020	Yr2: 2021	
Knee Arthroscopy	0	11	
ACL Repair	0	3	
Arthroscopy Shoulder	0	3	
ORIF	0	3	
Tendon Repair	0	2	

* List in descending order based on the cumulative 2 year volume

I hereby declare and affirm under the penalties of perjury that the facts stated in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature: 
 Print Name: Ando chick

Individual Physician's Submission (provide this form for each physician who will do procedures at the proposed facility)

Specialty: Orthopedic Surgery

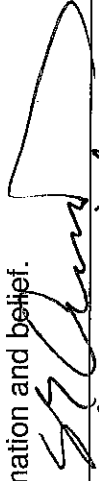
Physician Name Korboi Evans, MD	Surgical Volume (Latest 2 complete years 2020-2021 attached) Utilization during construction of Project 2022-2023				Projections						Facility(s) from which these cases will be migrating
	Year 2022		Year 2023		Year 1: 2024		Year 2: 2025		Year 3: 2026		
	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	
	40	5520	90	12420	110	15180	115	15870	115	15870	Little migration from other facilities Office Referrals None from Holy Cross

5 most frequently performed surgeries, two most recent years			
Surgical Procedure*	Yr. 1: 2020	Yr2: 2021	
Open Knee	0	4	
Open Hip	0	2	
Arthroscopy Shoulder Rotator Cuff	0	1	
Carpal Tunnel Release	0	1	
	0	0	

* List in descending order based on the cumulative 2 year volume

I hereby declare and affirm under the penalties of perjury that the facts stated in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature



Print Name: S. Andochick

Individual Physician's Submission (provide this form for each physician who will do procedures at the proposed facility)

Specialty: Orthopedic Surgery

Physician Name Laura Copaken, MD	Surgical Volume (Latest 2 complete years 2020-2021 attached) Utilization during construction of Project 2022-2023				Projections						Facility(s) from which these cases will be migrating
	Year 2022		Year 2023		Year 1: 2024		Year 2: 2025		Year 3: 2026		
	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	
	18	828	28	1288	30	1380	30	1380	30	1380	
											Little migration from other facilities
											Office Referrals

5 most frequently performed surgeries, two most recent years		
Surgical Procedure*	Yr. 1: 2020	Yr2: 2021
Hardware Removal Lower	0	0
Hardware Removal Upper	0	0
Ganglion Excision	0	0
Bursa Excision	0	0
	0	0

* List in descending order based on the cumulative 2 year volume

I hereby declare and affirm under the penalties of perjury that the facts stated in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature

S. Andochick

Print Name:

S. Andochick

Individual Physician's Submission (provide this form for each physician who will do procedures at the proposed facility)

Specialty: Oculoplastic Surgery

Physician Name	Surgical Volume (Latest 2 complete years 2020-2021 attached) Utilization during construction of Project 2022-2023				Projections						Facility(s) from which these cases will be migrating
	Year 2022		Year 2023		Year 1: 2024		Year 2: 2025		Year 3: 2026		
	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	Cases	Minutes	
	30	1590	50	2650	75	9375	75	9375	75	9375	No migration from other facilities Office Referrals

5 most frequently performed surgeries, two most recent years			
Surgical Procedure:	Yr. 1: 2020	Yr2: 2021	
Blepharoplasty	3	11	
Dacryotomy	0	2	
Entropion Repairs	2	2	
Lesion Head and Neck	0	2	
Ptosis Repair	1	1	

* List in descending order based on the cumulative 2 year volume

I hereby declare and affirm under the penalties of perjury that the facts stated in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature SCOTT ANDOCHICH
Print Name: SCOTT ANDOCHICH

III. CHARITY CARE:

7. The State Health Plan Chapter for General Surgical Services provides the following definition for Charity Care at COMAR 10.24.11.07B(4):

“Charity care” means:

- (a) Free or discounted health and health-related services provided to persons who cannot afford to pay;
 - (b) Care to uninsured, underinsured, or low-income patients who are not expected to pay all or part of a bill, or who are able to pay only a portion using an income-related sliding fee schedule; or
 - (c) The unreimbursed cost to a health care facility for providing free or discounted care to persons who cannot afford to pay and who are not eligible for public programs.
- Charity care results from a facility’s policy to provide health care services free of charge or discounted to individuals who meet certain financial criteria. Generally, the patient must demonstrate an inability to pay. **Charity care does not include bad debt.**

Regarding compliance with the Charity Care standard, the applicant provides in Tab 3, Ex. 5 a chart that shows the amount of charity care provided at PSCF from 2013 through 2021. Table 1: Physicians Surgery Center of Frederick - Historical Charity Care (2013 - 2021)

	2013	2014	2015	2016	2017	2018	2019	2020	2021
Charity Care	\$963.87	\$0.00	\$930.11	\$4,128.00	\$1,620.00	\$0.00	\$8,314.00	\$1,663.00	\$78,385.00
Expenses	\$2,991,611	\$3,329,291	\$2,509,949	\$3,192,182	\$3,299,538	\$3,783,992	\$3,805,414	\$4,068,407	\$5,687,630
Percent	0.03%	0.00%	0.04%	0.13%	0.05%	0.00%	0.22%	0.04%	1.38%

Source: June 23 2022 PSCF response, Tab 3, Ex. 5.

The applicant needs to provide a written response that:

- (a) Demonstrates why PSCF’s historic level of charity care was appropriate to the needs of PSCF’s service area; and
- (b) Document how PSCF will provide charitable surgical services to indigent patients that are equivalent to at least the average amount of charity care provided by ambulatory surgical facilities annually (which was reported by MHCC in 2019 as 0.63%).

Charity Care Policy.

PSCF has a written policy for the provision of charity care to ensure access to services regardless of an individual's ability to pay and to provide ambulatory surgical services on a charitable basis to qualified indigent persons consistent with its policy.

I. POLICY:

Please see attached PSCF Charity Care policy: (EXHIBIT 8)

This policy describes the process of Determination of Eligibility for any patient requesting Charity Care resulting in a determination within two business days following a request for charity care services, application for medical assistance, or both. PSCF shall make a determination of probable eligibility and communicate this information to the person making the request.

The policy provides for the Notice of PSCF Charity Care Policy to be disseminated throughout the Frederick County community. Public notice and information regarding the PSCF's charity care policy is disseminated, on an annual basis in the Frederick News Post or more frequently as needed. Information is disseminated through methods to best reach PSCF's service area population of Frederick County and surrounding areas in a format understandable by the specific population and in a language they understand. PSCF maintains an extensive list of outreach community service providers and businesses to disseminate the charity care policy to annually, and as needed to improve participation, and access as needed to meet its approved commitment.

Notices regarding the PSCF charity care policy (**EXHIBIT 9**) are posted in the registration area and business office, in the patient brochure (**EXHIBIT 10**) provided to the patient at the physicians office, and on The Simple Admit Registration Portal (**EXHIBIT 11**). Copies of the charity care notice flyer (**EXHIBIT 12**) is given to any person exhibiting concern regarding payment, or to any person who may wish to review and share the information with others in need. The PSCF Charity Care notice is also texted to all patients once their case is posted so that they can inquire in a confidential manner prior to a patient's arrival for surgery to address any financial concerns of patients (families), to provide access to the charity care. There is also a link to the Charity Care Policy for all of the community to access on the PSCF Website at www.physicianssrgctr.com. (**EXHIBIT 13**).

PSCF Criteria for Eligibility complies with applicable State statutes and HSCRC regulations regarding financial assistance policies and charity care eligibility for persons with family income below 100 percent of the current federal poverty guideline, who have no health insurance coverage and are not eligible for any public program providing coverage for medical expenses will be deemed eligible for services free of charge. Additionally the PSCF Charity Care Policy states that at a minimum, persons with family income above 100 percent of the federal poverty guideline but below 300 percent of the federal poverty guideline will be eligible for care at a discounted charge, based on a sliding scale of income. See attached policy for review.

PSCF submitted a copy of its charity care policy with its initial CON application and has attached a copy for review with this final response. It states in its charity care policy states that all patients will be made aware of the PSCF Charity Care Policy. In summary this is accomplished by:

- Each Surgeons office being notified and provided with reminders. The patient is provided with the facility Brochure with the Charity Care Policy information. **(EXHIBIT 10)**

- Upon surgical scheduling 100% of the patients will receive a text from the Simple Pay format stating:

"If you require an alternative payment option, please contact the surgery center prior to your surgery. We are happy to discuss alternative payment methods with you. We will provide your probable eligibility within two days of receipt of qualifying information." **(REF: TEXT MESSAGE EXERPTS FROM SIMPLE PAY)**

- Upon Pre-Operative screening via Simple Admit and/or by Nursing phone call the following will be provided to the patient as follows:
- Charity Care Policy Notice is posted in the facility waiting room.
- Charity Care Policy Notice is posted in the business office
- Charity Care Policy Notice Flyer is handed out to patients and members of the community at the front desk
- Charity Care Policy Notice is posted on the facility Website: www.physicianssrgctr.com with a direct link to the policy and application for charity care or discounted care.
- All staff are trained annually and as needed to monitor patients for need and offer them the opportunity to confidentially make application for assistance via the Charity Care Program at the facility before services or afterward if they experience hardship in paying balances.
- Charity Care policy and reminders are provided to community services annually (see list: Exhibit 14) and as needed to promote access. **(EXHIBIT 14)**

II. DETERMINATION OF ELIGIBILITY:

PSCF will make a determination of probable eligibility for charity care within two business day of a request for charity care, application for medical assistance, discounted care due to hardship and other qualifying requests. The applicant will be informed in advance that the determination will be made within two business days, be provided with appropriate applications and notified by the Business Office Manager at time of conclusion of determination of eligibility.

This information regarding determination of eligibility will be posted in all documents of Charity Care Notice.

III. NOTICE OF CHARITY CARE POLICY

PSCF actively posts all of its notices to the public and its patients in the facility waiting room, business office and at the admitting desk. Notice is provided to each person who seeks services at the time of admission individual notice of the availability of charity care, the potential for Medicaid eligibility and the availability of assistance from other government funded programs. PSCF asks patients and visitors to share this information with others and are provided with a Notice Flyer upon request to do so. PSCF also publicizes its Charity Care Policy throughout the community to extend its reach to the underserved by contacting the following Organizations annually (**EXHIBIT 14**), and as needed to increase participation throughout the year so PSCF can meet or exceed its goal of a minimum of .68% of its Annual Expenses:

This information is reviewed by the PI/RM Committee Monthly, the Board of Directors Quarterly and more frequently as needed to enhance its program. It is recorded on the attached document and maintained as a component of the Performance Improvement Risk Management Program of the organization (**EXHIBIT 14**). This will enable tracking of communication and timeliness of the activity to confirm policy and procedure compliance.

IV. CRITERIA FOR ELIGIBILITY:

PSCF policy directs the staff at the facility to assist patients with filing applications for Medical Assistance, and provides the rules on eligibility for charity and reduced charge care. PSCF provides written notices and policies available in both English and Spanish or language of choice, as well as provide interpreters for non-English speaking patients at no charge.

The PSCF Charity Care Policy defines Criteria for Eligibility as:

Persons with a family income below 100% of current federal poverty guidelines who have no health insurance coverage, insufficient coverage, and are not eligible for any public program to cover medical expenses are eligible for services free of charge.

Those above 100% but below 300% are eligible for discounts on a sliding scale for families.

Any person stating hardship and are unable to pay the balance of their bill after surgery due to sudden unforeseen hardship will have their situation assessed and evaluated for need and consideration for assistance on a sliding

scale prior to being sent for collections. Eligibility criteria will remain the same for that period. All situations will be considered and evaluated upon request. The patient will be provided with a determination of coverage within two business days from application.

V. Track Record: Charity Care Goal Commitment and Tracking of Level of Charity Care (EXHIBIT 15: ANNUAL CHARITY CARE TABLE)

PSCF's historical level of Charity Care has historically totaled less than its current goal of 0.68%. Any percent below 0.63% is inadequate to the average of all centers throughout the state of Maryland compared to the data provide for 2019 by MHCC. The organization has evaluated effectiveness of processes in place, documentation practices of Charity Care (does not include bad debt) and has improved upon its plan to periodically and as needed to promote community awareness and participation. PSCF found that some of its community outreach was in need of improvement and found that annual postings in the newspaper and physician awareness did not encourage enough patients to access the PSCF Charity Care Program. At the same time, the Business Office placed its documentation of Charity Care under review to better evaluate the actual utilization.

In 2018-2020 PSCF expanded its outreach to local organizations (EXHIBIT 14), charitable organizations, and urgent care facilities, in addition to announcements on Simple Admit and Simple Pay as well as the PSCF Website. This resulted in some improvement in 2019, but during the COVID pandemic, the organization observed fewer participants due to COVID fear, putting off surgical procedures and possible exposure illness as contributing factors.

In late 2020 and 2021, PSCF summary of Charity Care activities improved. Outreach was expanded to promote dissemination of information to further reaches of the community via local businesses, instructing front office staff to distribute flyers to any person voicing any concern about costs, and word of mouth by staff, their friends and families, pastors, patients and their relatives, delivery persons, vendors and their associates. PSCF has found that promoting community confidence in confidentiality and maintenance of dignity and respect assisted in improving Charity Care access in 2021. Removing the sense of possible stigmatization helps promote access and wellness. PSCF met and exceeded its goal of 0.68%. In 2021 Charity Care Contributions were 1.378% of Expenses.

PSCF believes that the constant promotion and communication to the staff, physicians, PI/RM Committee and Board of Directors will continue result in ongoing improvement to the program it is fully committed to. Corrective measures will continue to be implemented as needed to support continued success in meeting its commitment to the community.

The Frederick Community is growing and wealthy community. It's income distribution for households making less than \$25,000.00/year is lower than the state average of 12.80%. Its residents also have a higher percentage of households making over \$200,000.00/year. This has increased the challenge in reaching the underserved, yet PSCF is determined to maintain its commitment and will work diligently to achieve it's goals. **(EXHIBIT 15)**

It has also been a challenging goal to break down barriers of access to quality care at the facility, as it is believed that most indigents go to FHH (or other local hospitals) for immediate care through the Emergency Department resulting in an undue burden upon the hospital. PSCF is committed to relieving some of the non-emergency strain on the community's Emergency Department. PSCF would like to share in this honorable contribution to Frederick County and has asked its surgeons to monitor for indigent patients when taking ED call and offer patients a choice regardless of ability to pay in an environment that will respect their dignity and right to care. PSCF agrees it is not solely FHH that should contribute to Charity Care, and is willing to support them as community partners in providing this service to Frederick County citizens and visitors.

PSCF will monitor charity care provided by ambulatory surgical facilities on an annual basis and will work to achieve and exceed the minimum of what MHCC reports annually. PSCF will adjust its commitment on an annual basis and incorporated into its policies as approved by the Board of Directors. The Board of Directors will be provided with ongoing progress reports regarding its Charity Care Processes.

VI. COMMITMENT:

PSCF is aware it has experienced some years where it did not meet its goal in spite of its community outreach. During the year of 2020 as the Pandemic waned, it was able to achieve and go over .63% of expenses. The PSCF goal is .68% and the actual percent achieved in 2021 was 1.37%. PSCF remains determined to increase this contribution year over year.0

VII. PLAN FOR GOAL ATTAINMENT:

In order to monitor compliance the following is in place:

- a. All staff trained to promote Charity Care and refer patients to the business office manager as needed.
- b. Any person stating concern over financial commitments will be offered the opportunity to apply for Charity Care or discounted care rates.
- c. Applications will be provided and a determination made within two business days.

- d. Physicians will be reminded annually and as needed on a regular basis to bring patients for care regardless of their ability to pay.
- e. Reports from the Business Office regarding Charity Care Contributions will be reported to the PI/RM Committee monthly and to the Board of Directors on a Quarterly Basis.
- f. Any patient unable to pay the balance of financial commitment post operatively will be offered the opportunity to apply for discounted care or Charity Care.
- g. All Charity and Discounted Care will be entered into HST Software for Record Keeping and tracking of amounts awarded. It does not include Bad Debt.
- h. PSCF will provide educational activities to community as needed to promote it's Charity Care Policy and to encourage community participation to assist in meeting its annual commitment. This will be in the form of educational flyers, Health Fairs, Business Fairs and word of mouth.
- i. PSCF will monitor its record keeping of Charity Care expenses to the indigent community and commits to meeting its most recent year reported as a percentage of total operating expenses year over year.
- j. Aggressively promote word of mouth transmission of the Charity Care Policy to community vendors, Reps, Delivery personnel, etc.

VIII. CORRECTIVE MEASURES: PLAN TO ACHIEVE CHARITY CARE COMMITMENT OF .68% ANNUALLY:

If at any time it falls below its commitment goal the following plan will be implemented:

- a. Board of Directors Notification and recommendations
- b. Annual Notices to all of the community programs will be re-sent. The Business Office Management team will follow up on notifications via phone to promote activity and improve patient access.
- c. Physicians' Offices will be notified so they can monitor for patients in need and refer them to the facility for Charity Care and improve access.
- d. Business Office and clinical staff re-education and training.
- e. The Patient Care Coordinator will remind all patients of the facility Charity Care Policy
- f. Patient Education and Training flyers will be distributed throughout the community.
- g. Encourage staff to share information regarding the PSCF Charity Care Policy with friends, their church and civic communities and all they come in contact with as a form of enhanced community outreach.
- h. Share information with local businesses. Many of which employ indigent and qualified persons.
- i. Report results of action taken to the PI/RM Committee and Board of Directors to determine if additional action is indicated. Place this information in Minutes of Meetings as incorporated into the PI/RM program for the organization.
- j. Measurement of Charity Care Activity will be ongoing and perpetual.

PSCF and its Board of Directors states a commitment of .68% of expenses annually for the provision of Charity Care to the community it serves and is reflected in its

policy and procedures and annual review-update of systems. It will adjust its commitment to meet or exceed the statewide ambulatory surgery centers provision of Charity Care percentage on an annual basis and will be reflected in its Board of Directors Meeting Minutes and subsequent approved policies and procedures regarding this matter. In summary PSCF will:

Annually remind referring physicians and surgeons that PSCF accepts patients who need charity or discounted care regardless of ability to pay.

Annually remind PSCF staff who interact with patients/community to inform them that charity care is available at PSCF so that they may enable patients who request information about it or suggest it to patients who voice concerns about the ability to pay for services in an effort to reach those who are unaware.

Provide a monthly report comparing the Year-to-Date amount of charity care rendered to the Board of Directors as well as making it a regular item on the agenda of PSCF's monthly PR/RM and management meetings to promote awareness and to improve processes on an ongoing basis.

If the commitment target is not being reached, PSCF will take every action possible to meet its commitment, utilizing the expertise of its committees and Board of Directors re-emphasizing, building upon and developing creative ways to meet the commitments described above.

	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses	\$2,991,611.00	\$3,329,291.00	\$2,509,949.00	\$3,192,182.00	\$3,299,538.00	\$3,783,992.00	\$3,805,414.00	\$4,068,407.00	\$5,687,630.00
Charity Care	\$963.87	\$0.00	\$930.11	\$4,128.00	\$1,620.00	\$0.00	\$8,314.00	\$1,663.00	\$78,385.00
% Charity Care	0.032%	0.000%	0.037%	0.129%	0.049%	0.000%	0.218%	0.041%	1.378%

Physicians Surgery Center of FrederickPOLICY: Charity Care

The Facility Administrator or Business Office Manager will review each request for charity care and approval will be based on criteria outlined in this policy. Guidelines for determining charity care criteria will be approved by the Facility Board of Managers.

PURPOSE:

To establish consistent eligibility requirements for patients requesting part or all of their balances for services rendered by the Facility to be written off as charity care.

SCOPE:

All patients requesting part or all of their accounts to be written off as charity care will be reviewed on a case-by-case basis. Persons with a family income below 100% of current federal poverty guideline who have no health insurance coverage and are not eligible for any public program to cover medical expenses are eligible for services free of charge. Those above 100% but below 300% will be eligible for discounts on a sliding scale for families.

PROCEDURE:

DOCUMENTATION

- A. Every patient requesting charity care write-offs must complete a Financial Assistance Form (found in the Appendix) and attach any and all applicable documentation. Upon receipt of information needed a probable eligibility determination will be made within two business days, and the patient notified. Patients are requested to apply prior to receiving service. Applications will not be considered more than ninety (90) days after insurance pays. Refunds of amounts paid prior to application approval will not be made. A link to the policy and documents is available to the public and can be found on the facility website at www.physiciansurgctr.com
- B. Income verification will be required by one or more of the following: pay stubs, W-2 forms, tax returns, an employer written statement, etc. Other documentation required includes but is not limited to copies of the following:
 1. Medical bills
 2. Utility bills
 3. Car payment stubs
 4. Rent receipts
 5. Bank statements
 6. Alimony/child support receipts
 7. Government assistance receipts
 8. Other income/investment statements (e.g. 401K)
- C. Each application will be considered for a specified amount. The approval of an application will not be considered as an approval for any or all future accounts. Each application will require new verification information to be considered for charity.

APPROVAL PROCESS

- A. The Facility Administrator must approve all balances to be written off as Charity Care.
- B. Each patient applying for charity care must make a good faith effort, as determined by the Facility, to obtain coverage from available public assistance programs such as:
 1. Medicare
 2. Medicaid

3. Vocational rehabilitation
 4. Victims of Crime
 5. Children Special Services
 6. Church program
 7. If the patient has been denied public assistance they must supply documentation denying eligibility.
 8. A patient who refuses to apply or follow through with applications for other assistance will not be eligible for charity care.
- C. Medicaid patients who meet our financial guidelines and receive services determined to be non-covered by Medicaid will be deemed covered expense for charity care and will not require the application process.
- D. In the case of patients who are faced with catastrophically large medical bills, the Facility Administrator may make a discretionary recommendation that the patient is medically indigent and thus is eligible for charity care. This determination will be made on a case-by-case basis and will require verification of all medical expenses.
- E. If patients do not qualify for medical assistance through the state or Facility charity care guidelines, refer to FINBO.06 – Discounts for Self-Pays and Uninsured Patients.
- F. Patients whose income does not exceed 300% of the most current Poverty Income Guidelines issued by the Department of Health and Human Services will qualify for charity care discounts after verification of employment. These guidelines are updated annually. The current Poverty Income Guidelines can be found as follows: <http://aspe.hhs.gov/poverty>
- G. The Financial Assistance Form, along with any applicable supporting documentation, should be returned to the business office for account reconciliation and the appropriate write-off applied to the account prior to closing the accounting month. Write-offs should be performed using the appropriate charity care write-off code.
- H. The Facility reserves the right to reverse charity care approval if the information provided by the patient in the application is later determined to be falsified or is compensation for services obtained from another source.
- I. This policy will be shared with physicians, and made public patients of the facility and the community at large.
- J. Charity Care Reports will be submitted to the Board of Directors Periodically to monitor and promote compliance and progress toward meeting overall annual goal for the facility and community.

Associated Documentation

Policy STAT Form – Financial Assistance Form

Review and Approval Signatures:

Board of Directors Chairman/Medical Director: _____ / _____

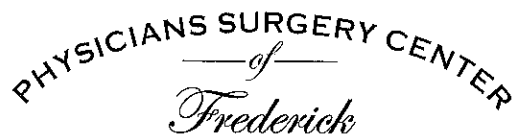
_____ / _____

Medical Executive Committee: _____ / _____

_____ / _____

Administrator: _____ / _____

Administrator: _____ / _____



Application for Charity Care Assistance

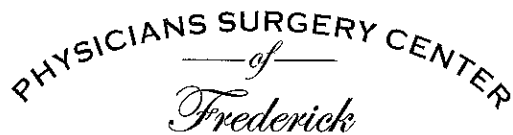
Proof of identification, proof of income and proof of assets must accompany this application. Please provide copies of all requested documents. Do not send original documents as they will not be returned.

Section I: Personal Information		
1. Patient Name: <i>(Last Name, First Name, Initial)</i>	2. Social Security Number: <div style="text-align: center;">_____ - _____ - _____</div>	
3. Date of Application: <i>(Month / Day / Year)</i>	4. Initial Date of Service: <i>(Month / Day / Year)</i>	5. Requested Date of Service: <i>(Month / Day / Year)</i>
6. Street Address of Patient:	7. Telephone Number: <div style="text-align: center;">(____) _____ - _____</div>	
8. City, State, Zip Code:	9. Family Size:*	
10. U.S. Citizenship: <div style="text-align: center;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Pending </div>	11. Proof of 3-mos. Residency in the State of <div style="text-align: center;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </div>	
12. Name of Guarantor <i>(if other than patient)</i>		

Section II: Assets Criteria

13. Individual Assets:	_____
14. Family Assets:	_____
15. Assets Include:	
A. Cash	_____
B. Savings Accounts	_____
C. Checking Accounts	_____
D. Certificates of Deposit/I.R.A.	_____
E. Equity in Real Estate	_____
	<i>(other than primary residence)</i>
F. Other Assets	_____
	<i>(Treasury Bills, negotiable paper, corporate stocks/bonds)</i>
G. Total	_____

* Family size includes: Self, spouse and any minor children. A pregnant woman is counted as two family members.



Charity Care Assistance Checklist

REQUIRED INFORMATION

1. Patient Name: (Last Name, First Name Initial)

2. Patient Account
#:

3. Date of Service:

In order for the Center to approve your Charity Care Application, the State requires the following documents:

4. IDENTIFICATION:

(Check two (2) forms of ID)

- ☐ Driver's License
- ☐ Alien Registration
- ☐ Passport ID

- ☐ Birth Certificate
- ☐ Social Security Card
- ☐ State/County ID

5. RESIDENCY:

Effective From: ____/____/____
To: ____/____/____

- ☐ Utility Bill
- ☐ State Driver's License

- ☐ Copy of Lease
- ☐ Letter from Landlord

6. INCOME:

Effective From: ____/____/____
To: ____/____/____

- ☐ Pay stubs
- ☐ Social Security/Pension Letter (if applicable)
- ☐ Unemployment/Disability Letter
- ☐ Last Year W-2 & income tax return

7. ASSETS:

Effective From: ____/____/____
To: ____/____/____

- ☐ Cash
- ☐ Savings Account

- ☐ Checking Account
- ☐ Stocks/Bonds/CD's/IRA's

If you require further information or assistance in completing this form, please call (240-215-3070) between the hours of 9:00 AM to 5:00 PM, Monday through Friday.

Charity Care Assistance Patient and/or Responsible Party Attestations

REQUIRED INFORMATION

1. Patient Name: <i>(Last Name, First Name, M.I.)</i>	2. Patient Account #:	3. Date of Service:
4. Responsible Party:	5. Relationship:	

Please place initials to the left of the attestation that applies:

☐ I attest that I am single.
☐ I attest that I am married. Spouse's name is: _____ Date of Birth: ____/____/____.
☐ I attest that I am legally divorced.
☐ I attest that I am a widow / widower.
☐ I attest that I have been separated from my spouse since: ____/____/____.
☐ I attest that I have _____ dependent children who reside with me.

Please enter the names of dependents below with their respective dates of birth.

Full Name	Date of Birth
	____/____/____
	____/____/____
	____/____/____
	____/____/____
	____/____/____
	____/____/____

Please continue to place initials to the left of the attestation that applies:

☐ I attest that I am legally married to my children's _____ father / _____ mother.
☐ I attest that I am legally divorced from my children's _____ father / _____ mother.
☐ I attest that I was **never** married to my children's _____ father / _____ mother.
☐ I attest that I **do not** receive child support.
☐ I attest that I had **no income** for _____ months immediately preceding my admission.
☐ I attest that I had **no assets** at the time of my admission or for _____ months prior.
☐ I attest that I have **no insurance** to cover the facility's services received on: ____/____/____.
☐ I attest that I have been a resident of this State since ____/____/____ and intend to remain in this State for the foreseeable future.
☐ I attest that I was screened and advised of my eligibility for State Medicaid but, I categorically refused to apply.
☐ I attest that the information given is true and correct to the best of my knowledge.

Patient Signature

Date

Witness Signature

Date

<FACILITY NAME>
FINANCIAL ASSISTANCE FORM

INSTRUCTIONS FOR COMPLETING THIS FORM

In order for a patient to be eligible for special financial consideration, this form should be completed and the requested documentation attached, and the form returned to the <Facility Name>. The information will be verified and proper determination will be made in a timely manner. Please provide the following documentation to the facility:

- This form, completed and signed
- Copies of signed Federal Income Tax Return for previous year
- Copies of payroll check stubs for the previous 2 months
- Copies of recent utility bills, rent/mortgage receipt, medical bills, auto loan receipts, bank statements, alimony/child support receipts, government assistance receipts, other income/investment statements (e.g. 401K statement)

RESPONSIBLE PARTY INFORMATION

Responsible Party _____	Marital Status _____
Address _____	State _____ Zip _____
SSN _____	Birth Date _____ Phone _____
Employer _____ Position _____	Phone _____ Hire Date _____
Address _____ City _____	State _____ Zip _____
Spouse _____	Birth Date _____ SSN _____
Spouse's Employer _____ Position _____	Phone _____ Hire Date _____
Number of children in the house _____ Ages _____	

MONTHLY INCOME INFORMATION

Please provide documentation of income sources – W-2 forms, income tax statements, check stubs, or check statements. A financial statement may be required if you are self-employed.

	Responsible Party	Spouse
Wages before deductions	_____	_____
Alimony/Child support	_____	_____
Disability/worker's comp	_____	_____
Pension	_____	_____
Social Security Income	_____	_____
Dividends/Interest Income	_____	_____
Rental Income	_____	_____
Estate Trust Income	_____	_____
Welfare/Public assistance	_____	_____
Food Stamps	_____	_____
Other (please list)	_____	_____
Less State/Federal Taxes	_____	_____
Less any other deductions	_____	_____
Monthly Income Total	\$ _____	\$ _____

**<FACILITY NAME>
FINANCIAL ASSISTANCE FORM**

FINANCIAL INFORMATION

ASSETS	VALUE		VALUE
Cash/Checking	_____	Investments	_____
Savings	_____	Life Insurance	_____
Stocks and Bonds	_____	Other	_____

ALL REAL PROPERTY AND VEHICLES

	VALUE	BALANCE	MONTHLY PAYMENT
Residence rent / own (circle one)	_____	_____	_____
Other property _____	_____	_____	_____
Vehicle #1 <u>Make</u> <u>Model</u> <u>Year</u>	_____	_____	_____
Vehicle #2 <u>Make</u> <u>Model</u> <u>Year</u>	_____	_____	_____
Vehicle #3 <u>Make</u> <u>Model</u> <u>Year</u>	_____	_____	_____

MEDICAL EXPENSES

Medical Provider's Name	BALANCE	INS WILL PAY	MONTHLY PAYMENT
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

LIST ALL OTHER CREDITORS

(Charge cards, mail order, etc. - - attach separate sheet if necessary)

CREDITOR'S NAME	TYPE LOAN	BALANCE	MONTHLY PAYMENT
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Appliance or furniture rental: _____

Have you ever filed bankruptcy? Yes No Give date _____

**<FACILITY NAME>
FINANCIAL ASSISTANCE FORM**

OTHER MONTHLY EXPENSES

EXPENSE	MONTHLY PAYMENT	EXPENSE	MONTHLY PAYMENT
Food	_____	Auto Insurance	_____
Phone	_____	Cable TV	_____
Electric/Gas/Water/Sewer	_____	Health Insurance	_____
Contributions	_____	Recreation	_____
Other (List)	_____	Other (List)	_____

FOR OFFICE USE ONLY...

MONTHLY FINANCIAL SUMMARY

Total Income:	_____
Subtotals:	
Real property Vehicles	\$ _____
Monthly Medical Expenses	\$ _____
Creditors Credit	\$ _____
Other Monthly Expenses	\$ _____
Total Expenses:	_____

PATIENT CONDITIONS AND COMMENTS

Please answer the following questions – attach additional pages if necessary

Have you applied for Medicaid and been denied or found to be ineligible? Yes No (circle one)

Have you asked for assistance from your family? Yes No (circle one)

Have you asked for assistance from your clergy or church? Yes No (circle one)

How much are you able to pay each month? _____

COMMENTS:

I hereby state that the information I have provided is true and complete. I authorize <Facility Name> to verify this information, including requesting a credit bureau report. I understand that if any of this information is determined to be deceptive or false, I may be denied special financial consideration and I will be liable for payment of any and all charges incurred for the services rendered.

Responsible Party Signature

Date: _____

<FACILITY NAME>
FINANCIAL ASSISTANCE FORM

INSTRUCTIONS FOR COMPLETING THIS FORM

In order for a patient to be eligible for special financial consideration, this form should be completed and the requested documentation attached, and the form returned to the <Facility Name>. The information will be verified and proper determination will be made in a timely manner. Please provide the following documentation to the facility:

- This form, completed and signed
- Copies of signed Federal Income Tax Return for previous year
- Copies of payroll check stubs for the previous 2 months
- Copies of recent utility bills, rent/mortgage receipt, medical bills, auto loan receipts, bank statements, alimony/child support receipts, government assistance receipts, other income/investment statements (e.g. 401K statement)

RESPONSIBLE PARTY INFORMATION

Responsible Party _____	Marital Status _____
Address _____	State _____ Zip _____
SSN _____	Birth Date _____ Phone _____
Employer _____ Position _____	Phone _____ Hire Date _____
Address _____ City _____	State _____ Zip _____
Spouse _____	Birth Date _____ SSN _____
Spouse's Employer _____ Position _____	Phone _____ Hire Date _____
Number of children in the house _____	Ages _____

MONTHLY INCOME INFORMATION

Please provide documentation of income sources – W-2 forms, income tax statements, check stubs, or check statements. A financial statement may be required if you are self-employed.

	Responsible Party	Spouse
Wages before deductions	_____	_____
Alimony/Child support	_____	_____
Disability/worker's comp	_____	_____
Pension	_____	_____
Social Security Income	_____	_____
Dividends/Interest Income	_____	_____
Rental Income	_____	_____
Estate Trust Income	_____	_____
Welfare/Public assistance	_____	_____
Food Stamps	_____	_____
Other (please list)	_____	_____
Less State/Federal Taxes	_____	_____
Less any other deductions	_____	_____
Monthly Income Total	\$ _____	\$ _____

**<FACILITY NAME>
FINANCIAL ASSISTANCE FORM**

FINANCIAL INFORMATION

ASSETS	VALUE		VALUE
Cash/Checking	_____	Investments	_____
Savings	_____	Life Insurance	_____
Stocks and Bonds	_____	Other	_____

ALL REAL PROPERTY AND VEHICLES

	VALUE	BALANCE	MONTHLY PAYMENT
Residence rent / own (circle one)	_____	_____	_____
Other property _____	_____	_____	_____
Vehicle #1 <u>Make</u> <u>Model</u> <u>Year</u>	_____	_____	_____
Vehicle #2 <u>Make</u> <u>Model</u> <u>Year</u>	_____	_____	_____
Vehicle #3 <u>Make</u> <u>Model</u> <u>Year</u>	_____	_____	_____

MEDICAL EXPENSES

Medical Provider's Name	BALANCE	INS WILL PAY	MONTHLY PAYMENT
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

LIST ALL OTHER CREDITORS

(Charge cards, mail order, etc. - - attach separate sheet if necessary)

CREDITOR'S NAME	TYPE LOAN	BALANCE	MONTHLY PAYMENT
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Appliance or furniture rental: _____

Have you ever filed bankruptcy? Yes No Give date _____

**<FACILITY NAME>
FINANCIAL ASSISTANCE FORM**

OTHER MONTHLY EXPENSES

EXPENSE	MONTHLY PAYMENT	EXPENSE	MONTHLY PAYMENT
Food	_____	Auto Insurance	_____
Phone	_____	Cable TV	_____
Electric/Gas/Water/Sewer	_____	Health Insurance	_____
Contributions	_____	Recreation	_____
Other (List)	_____	Other (List)	_____

FOR OFFICE USE ONLY...

MONTHLY FINANCIAL SUMMARY

Total Income:	_____
Subtotals:	
	Real property
	Vehicles \$ _____
	Monthly Medical
	Expenses \$ _____
	Creditors
	Credit \$ _____
	Other Monthly
	Expenses \$ _____
Total Expenses:	_____

PATIENT CONDITIONS AND COMMENTS

Please answer the following questions – attach additional pages if necessary

Have you applied for Medicaid and been denied or found to be ineligible? Yes No (circle one)

Have you asked for assistance from your family? Yes No (circle one)

Have you asked for assistance from your clergy or church? Yes No (circle one)

How much are you able to pay each month? _____

COMMENTS:

I hereby state that the information I have provided is true and complete. I authorize <Facility Name> to verify this information, including requesting a credit bureau report. I understand that if any of this information is determined to be deceptive or false, I may be denied special financial consideration and I will be liable for payment of any and all charges incurred for the services rendered.

Responsible Party Signature

Date: _____

Public Notice:

PSCF's mission is to provide high quality and affordable health care services to the community it serves. This includes providing medical care services on a charity basis for those who qualify without regard to age, race, creed, color, sexual orientation or national origin.

Qualifications include those that are determined to be financially or medically indigent. A financially indigent patient is a person who is uninsured or underinsured and is accepted for care with no obligation or a discounted obligation to pay for services based on income and family size. The facility uses poverty income guidelines issued by the U.S. Department of Health and Human Services to determine a person's eligibility for charity care as a financially indigent patient.

Persons whose income does not exceed 300% of the most current Poverty Income Guidelines issued by the Department of Health and Human Services will qualify for charity care discounts after verification of employment. These guidelines are updated annually. The current Poverty Income Guidelines can be found on: <http://aspe.hhs.gov/poverty>.

Persons with family income below 100 percent of the current federal poverty guideline who have no health insurance coverage and are not eligible for any public program providing coverage for medical expenses shall be eligible for services free of charge. At a minimum, persons with family income above 100 percent of the federal poverty guideline but below 300 percent of the federal poverty guideline shall be eligible for services at a discounted charge, based on a sliding scale of discounts for family income bands.

A medically indigent patient is a person whose medical bills after payment by third-party payer exceeds 35% of the person's annual gross income and is unable to pay the remaining bill.

Upon receipt of your eligibility request/documents, you will be provided with probable eligibility notification within two days.

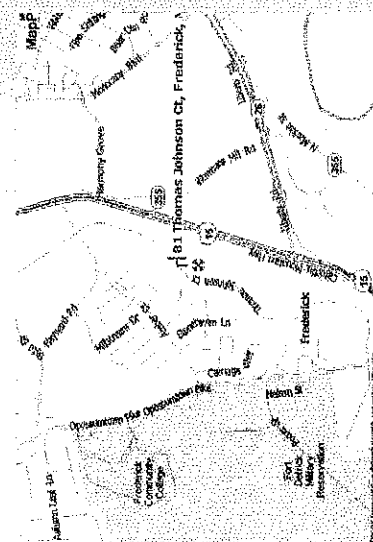
Additional information concerning the charity care program can be obtained from the Business Office Manager at 240-215-3070. This policy can be accessed at www.physicianssrgctr.com

Driving Directions From 15 North:

- Take a right onto Mott Avenue Exit
- Veer Right off exit onto Opposumtown Pike
- Go through two lights
- At third light make a Right onto Thomas Johnson Drive.
- Go ¾ mile and make a right onto Thomas Johnson Court.
- Center is the first left, 81 Thomas Johnson Ct.

Driving Directions From 15 South:

- Take the Mott Avenue Exit
- Turn left onto Opposumtown Pike
- Go through one light
- At second light make a Right onto Thomas Johnson Drive
- Go ¾ mile and make a Right onto Thomas Johnson Court.
- Center is the first left on Thomas Johnson Court.



Physicians Surgery Center of Frederick

81 Thomas Johnson Court
Frederick, MD 21702

Phone: 240-215-3070
Fax: 240-215-3071

Patient Information

***Please arrive at the Center promptly:**
(1 hour before General or sedation anesthesia and 30 minutes before Local) *unless otherwise instructed..*
You will receive pre-surgical instructions from our Pre-Op Nurse a few days before your surgery, and she will also confirm your arrival time the evening before your procedure. If you would like to contact us you can do so by calling: 240-215-3070.

Patient Remarks

"I had surgery on two different surgical sites within two weeks of each other, and could not have asked for better care before, after and even after I was recovering at home! Thanks!!!"

"Wonderful care, great staff, very professional!"

"The staff was great, they took excellent care of me during and after the procedure."

Ownership Statement

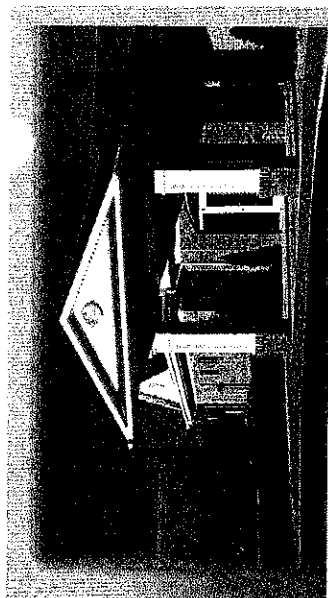
This facility is owned by the Physicians Surgery Center of Frederick, LLC and its Physician owners. Your physician may have an interest in this facility.

The following physicians have an ownership interest in this organization:

Scott Andochick, MD	James Steinberg, DO
Adam Mecinski, MD	Sunil Thadani, MD
Kristen Nesbitt, MD	Matthew Levine, MD
Gabriel Petruccielli, MD	Korboi Evans, MD
Samuel Sanders, MD	

The Physicians Surgery Center of Frederick is a Non-Smoking Campus

***A list of Insurance Companies PSCF participates with is available upon request. A list is also available on the PSCF Website www.physiciansurctr.com. (**A list of Insurance Companies your physician participates with is available upon request)**



PHYSICIANS SURGERY CENTER of Frederick

Accredited by the



ACCREDITATION ASSOCIATION
for AMBULATORY HEALTH CARE, INC.

Welcome! Your physician has scheduled your

upcoming surgery at Physicians Surgery Center of Frederick. This Center is a premier ambulatory surgery center that is Medicare and State approved and licensed. PSCF is accredited by the Accreditation Association for Ambulatory Health Care, Inc.

We pride ourselves with an excellent team of nurses and staff who will make you feel comfortable and cared for. Our Staff is committed to providing you the highest quality care in a warm, personalized and secure setting. Our goal is to deliver excellent care and make your visit a pleasant experience.

We are so happy to serve you, and will do everything possible to make your visit with us as pleasant and proficient as possible to ensure that your day of surgery goes well please read the following information.

***Date of your surgery is:** _____

***Please Arrive at the center at:** _____

Special Instructions

Our bill covers the facility fee, supplies and any implants used. **** Fees for your surgeon, anesthesiologist, and any other services such as laboratory or pathology will be billed separately. Please contact their office if you have any questions regarding their billing process.**

If your insurance does not pay 100%: We require the patient or responsible party to pay for the amount of your unmet deductible, coinsurance and any co-payment for outpatient surgical facilities.

Cases which are not covered by insurance: We require full payment on or before the date of the procedure, unless other financial arrangements are made in advance. We accept cash, check, credit card (VISA, AMEX, MasterCard), Discover and Care Credit.

You will receive a letter detailing your benefits with any deductible, coinsurance or co-pay due on day of surgery.

Financial Hardship: Call about PSCF Charity Care Policy or go to www.physiciansurgctr.com for policy & application.

Qualifying individuals who are financially distressed and unable to pay for the full cost of their care may be eligible for financial assistance. For more information, please contact the Financial Hardship Department at (410) 328-1111.

We are required by regulatory bodies to inform each patient in advance of surgery of our Advance Directive Policy. It is the policy of the PSCF to acknowledge the right of each individual to have an Advance Directive or Living Will. You, as the patient have a right to choose where you have your surgical procedure performed. If you choose to have it performed at the PSCF, we want you to do so with the understanding that you WILL be treated if in the rare event, your heart or breathing stops while you are at the facility and transported to the hospital. We will send information about your advance directives to the receiving facility. If you would like information on Advance Directives and Maryland Forms, our professional office staff can provide you with copies upon request.

Preparing for Surgery

- Prior to your surgery you can register on line for your surgery. Go to www.simpleadmit.com and use PW: PSCF240NEW. Feel free to call 240-215-3070 if you have questions or prefer to speak

with our Pre-Op screening nurse or you have no internet service. Be sure to let the staff know of any special needs.

- Please bring a list of your medications. Notify the nurse if you take medication for heart, high blood pressure or diabetes so he/she can advise you about taking medication on the day of surgery.

- Bathe or shower with an antibacterial soap on the morning of surgery to minimize the chance of infection.

- Call your surgeon if you develop a cold, fever or respiratory problem before surgery. If you cannot reach your physician, contact the Center.

- Your anesthesia care will be provided by Board Certified Anesthesiologists who are also on staff at Frederick Memorial Hospital. The anesthesiologist will remain with you and the nurses until you have fully recovered and are discharged from the center.

- For General or MAC ("Twilight") Anesthesia cases, **you are required to have nothing to eat or drink 8 hours prior to your arrival. (including chewing gum, tobacco or lozenges).** Any food or liquid in the stomach can cause serious complications and your surgery may be postponed or cancelled.

This does not apply to persons having local only anesthesia. If you are having focal anesthesia you may have a light meal the day of your procedure unless otherwise instructed by your physician.

- For women who know or suspect they may be pregnant, please notify your physician and the Center.

If patient is a minor, one parent must remain at the center at all times during the patients visit.

The Day of Surgery

- Arrive promptly at the scheduled time. This will allow adequate time for all necessary admission procedures.

- Parking is conveniently located at the Center.

- Wear comfortable, loose fitting clothing that can be easily removed. For your comfort/safety we encourage you to wear low-heeled shoes. Avoid wearing jewelry, nail polish and cosmetics. Leave contact lenses at home or bring your lens case with you. Please wear your glasses if needed. All valuables (including

jewelry and wallets) and other personal items should be left at home. Please remove all body piercing.

- ***Bring your insurance card, driver's license and any co-payment and/or deductible you may owe at time of surgery. If you owe from a previous visit, you will be required to make that payment on or before the time of your next visit.***

Please bring your Durable Power of Attorney for Healthcare and/or advance Directives if you have one so it can be placed in your record.

- To maximize the comfort of all visitors, we suggest that adult patients be accompanied by only one person.

- Do not smoke 24 hours immediately before or after receiving anesthesia. Smoking may interfere with the anesthetic and produce nausea during recovery.

You're Recovery Period

After your surgery, you will be moved to our fully equipped recovery room and monitored by our physicians and nurses until you are ready to go home. Most patients are discharged between 15 minutes and 2 hours after surgery.

It is our policy for you to have someone drive you to and from the Center for surgery if you have General/MAC or IV anesthesia. We also strongly recommend that someone stays with you for the first 24 hours after surgery.

Your Recovery at Home

- Your surgeon will provide post-operative instructions regarding diet, rest and medications. In the event of any difficulty, call your surgeon without delay. If you are experiencing a life threatening event, call 911.

- Do not drink alcoholic beverages for 24 hours after receiving an anesthetic or when taking pain medication.

Attached you will find a copy of your Rights as a patient and our policy on advance directives. Please take a moment to read them at your convenience and feel free to ask our staff if you have any questions.

To decrease your registration time on day of procedure, complete the attached forms and bring them with you on the day of your visit. We look forward to serving you.



Policies

- Please read and agree to our Terms of Use.
- Carefully read the important facility information, which you can access from the links below.
- All forms included below are for your review only, unless they carry specific instructions to complete, print, and bring with you to the Medical Facility on your day of service.
- Try to complete as many of the questions as possible. You may not know the answers to all the questions on the pre-op form. It's okay to leave those blank.
- A nurse or staff member will review your medical information and may call you if any additional information is needed.
- Prior to your appointment, a facility staff member may call you to review your financial obligations.

<input type="checkbox"/> Notice of Privacy Practices	[Click Here to View...]
<input type="checkbox"/> Patients Rights and Responsibilities	[Click Here to View...]
<input type="checkbox"/> Advance Directives	[Click Here to View...]
<input type="checkbox"/> Ownership Statement	[Click Here to View...]
<input type="checkbox"/> COVID-19 Informed Consent	[Click Here to View...]
<input type="checkbox"/> I am at least 18 years old and agree to Simple Admit's Terms of Use	[Click Here to View...]
<input type="checkbox"/> Charity Care Policy	[Click Here to View...]

⚠ In order to continue, you must check off checkboxes indicating that you agree to all terms and have read all policies.

[← Back](#)

[→ Next](#)

Please read this document thoroughly

File

1 / 3

68%

Select Language

Physicians Surgery Center of FrederickPOLICY: Charity Care

The Facility Administrator or Business Office Manager will review each request for charity care and approval will be based on criteria outlined in this policy. Guidelines for determining charity care criteria will be approved by the Facility Board of Managers.

PURPOSE:

To establish consistent eligibility requirements for patients requesting part or all of their balances for services rendered by the Facility to be written off as charity care.

SCOPE:

All patients requesting part or all of their accounts to be written off as charity care will be reviewed on a case-by-case basis. Persons with a family income below 100% of current federal poverty guideline who have no health insurance coverage and are not eligible for any public program to cover medical expenses are eligible for services free of charge. Those above 100% but below 300% will be eligible for discounts on a sliding scale for families.

PROCEDURE:

DOCUMENTATION

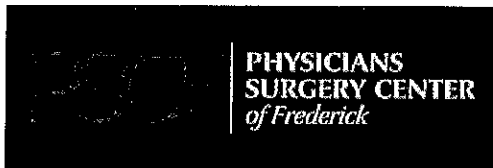
A. Every patient requesting charity care write-offs must complete a Financial Assistance Form (found in the Appendix) and attach any and all applicable documentation. Upon receipt of information needed a probable eligibility determination will be made within two business days, and the patient notified. Patients are requested to apply prior to receiving service. Applications will not be considered more than ninety (90) days after insurance pays. Refunds of amounts paid prior to application approval will not be made. A link to the policy and documents is available to the public and can be found on the facility website at www.sleightonsurgery.com

B. Income verification will be required by one or more of the following: pay stubs, W-2 forms, tax returns, an employer written statement, etc. Other documentation required includes but is not limited to copies of the following:

1. Medical bills
2. Utility bills
3. Car payment stubs
4. Rent receipts
5. Bank statements
6. Alimony/child support receipts
7. Government assistance receipts
8. Other income/investment statements (e.g. 401K)

C. Each application will be considered for a specified amount. The approval of an application will not be considered as an approval for any or all future accounts. Each application will require new verification information to be considered for charity.

OK



Front Desk Handout

Public Notice: Please share with the community we serve

PSCF's mission is to provide high quality and affordable health care services to the community it serves. This includes providing medical care services on a charity basis for those who qualify without regard to age, race, creed, color, sexual orientation or national origin.

Qualifications include those that are determined to be financially or medically indigent. A financially indigent patient is a person who is uninsured or underinsured and is accepted for care with no obligation or a discounted obligation to pay for services based on income and family size. The facility uses poverty income guidelines issued by the U.S. Department of Health and Human Services to determine a person's eligibility for charity care as a financially indigent patient.

Persons whose income does not exceed 300% of the most current Poverty Income Guidelines issued by the Department of Health and Human Services will qualify for charity care discounts after verification of employment. These guidelines are updated annually. The current Poverty Income Guidelines can be found on: <http://aspe.hhs.gov.poverty>.

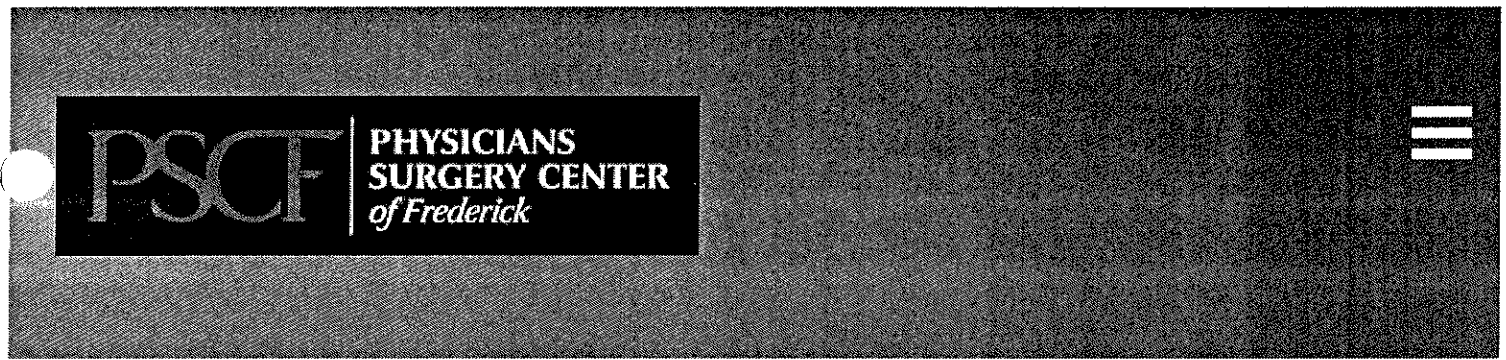
Persons with family income below 100 percent of the current federal poverty guideline who have no health insurance coverage and are not eligible for any public program providing coverage for medical expenses shall be eligible for services free of charge. At a minimum, persons with family income above 100 percent of the federal poverty guideline but below 300 percent of the federal poverty guideline shall be eligible for services at a discounted charge, based on a sliding scale of discounts for family income bands.

A medically indigent patient is a person whose medical bills after payment by third-party payer exceeds 35% of the person's annual gross income and is unable to pay the remaining bill.

Upon receipt of your eligibility request/documents, you will be provided with probable eligibility notification within two days.

Additional information concerning the charity care program can be obtained from the Business Office Manager at 240-215-3070. This policy can be accessed at www.physicianssrgctr.com

Updated 3.2021-Updated 10. 2021



Billing

Paying Your Bill

We've kept registration, consultation, and even surgery as simple and streamlined as they can be and we're keeping our bill pay system simple, as well.

Physicians Surgery Center of Frederick is pleased to offer convenient, secure online bill pay, which is designed to eliminate misunderstandings and questions, while keeping the payment process clear and easy-to-follow. It's nice to forego paper checks and postage, and to have the convenience of 24/7 service.

We have experienced greater patient satisfaction with online bill pay, but if you prefer your invoice mailed, please let us know.

Please let us know prior to your surgery if you need help making special financial arrangements; we're happy to discuss alternative payment methods with you. To review the PSCF Charity Care Policy, [click here](#). To access the Financial Assistance form, [click here](#).

In addition to printing your receipt, we encourage you to verify with us by phone or email that your payment has posted. Feel free to contact us with any questions related to your account or online payment at (240) 215-3070 x221.

Ex. 13



ONLINE BILL PAY

Insurance

Please work with our team before, during, and after your surgery so that we can coordinate the process of filing and managing your insurance claims. Our team will take their time to walk you through every aspect of billing and payment, ensuring that you understand your coverage, co-pays, deductibles, or difference you may owe.

We request on the day of your procedure that you bring your current insurance and Medicare card for both primary and secondary insurances.

PSCF Participates with the following Insurance groups:

- Aetna (all except Aetna Signature and Aetna Medicaid)
- Amerigroup
- Carefirst BCBS – all PPO, HMO, Anthem, etc.
- Cigna
- Johns Hopkins US Family
- Maryland Physicians Care
- Medicaid
- Medicare
- Priority Partners
- Tricare
- United Health Care (all except UHC Medicaid)
- Workers Compensation

A list of your surgeons and anesthesiologists participation list is available upon request.

Collections and Payment Policy

Co-pays and deductibles will be due on the day of your surgery.

PSCF will provide you with an estimate of your out of pocket charges prior to your arrival to the facility for your surgery. This will be communicated to you via text, email or by phone.

For patients with no insurance coverage, or for those having cosmetic surgery, all fees will be due in advance.

We're happy to accept cash, cashier's checks, credit cards, and personal checks with valid identification.

CareCredit is a patient payment plan with eligibility determined by the patient's out of pocket expense. Plans extend up to 12 months and may offer interest-free payments. Apply at our facility or by visiting www.carecredit.com or by calling (800) 365-2895 for an Automated Phone Application.

Special Financial Arrangements

Please let us know prior to your surgery if you need assistance with special financial arrangements based upon need; we're happy to discuss and assist you with alternative payment methods, and will provide an eligibility determination within two days.

Our Mission

Physicians Surgery Center of Frederick (PSCF) provides cost-effective outpatient services using modern, state-of-the-art technology in a friendly and caring environment by a highly-skilled, compassionate staff. Serving Frederick, Maryland and surrounding communities, we strive to achieve excellence in all areas of Ambulatory Surgery service to our community.

Language Assistance

Language assistance services are available to you, free of charge. Call 1-877-463-3464 (TTY: 1-800-735-2258).

Si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-877-463-3464 (TTY: 1-800-735-2258).

[Click here for more languages.](#)

Contact Us

Email

info@physiciansurgctr.com

Phone

240-215-3070

Fax

240-215-3071

Address

Physicians Surgery Center of Frederick

81 Thomas Johnson Court

Suite B

Frederick, Maryland 21702



[Home](#) [About Us](#) [Physicians](#) [Patients](#) [Billing](#) [FAQ](#) [Contact Us](#)

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CHARITY CARE BOARD OF DIRECTORS REVIEW RECORD:

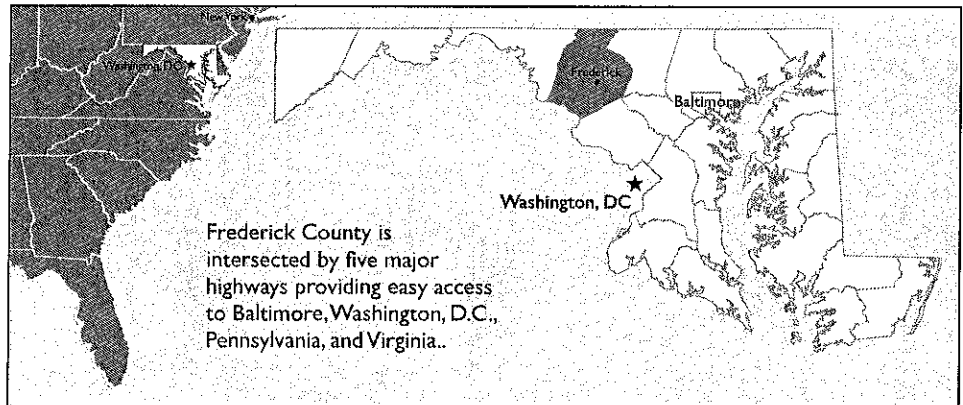
Organization Charity Care Policy Community Outreach Communication	Date Communication Sent	Method of Transmission	Date Communication Sent	Sent by:
Every Physician Providing Services at PSCF and/or taking ED call				
Referring Physician Offices for surgical procedures				
Frederick County Health Department: Copy to be sent to Dr. Brookmyer				
Dr. Julio Menocal Contact: Michelle.Restani@Menocalfamilypractice.com				
Centro Hispano Contact: info@centrohispanodefederick.org				
Spanish Speaking Services of Maryland: Mherrera@spanishcommunityofmd.org				
St. John's Catholic Parish stjohn-frederick.org				
Mission of Mercy ryan@amissionofmercy.org				
Religious Coalition 'nbrown@rcehn.org'				
Frederick Community Action Agencyjones@cityoffrederickmd.gov				
The Rescue Mission afarlow@therescuemission.org				
Advocates for Homeless Families Inc. kallread@afh88.org				
Family Partnership bmav@frederickcountymd.gov				
Heartly House engage@heartlyhouse.org				
Mid-Atlantic District of the Christian and Missionary Alliance info@cmamad.org				
Community Outreach And Support Team (COAST): 'COAST@frederickcountymd.gov'				
Frederick County Department of Social Services:				

Advocates for Homeless Families and the local homeless shelters such as the Frederick Rescue Mission				
Staff and Physician Word of Mouth Communication within the Community				
Education and Training Program Presentation				
Annual Local Businesses Notification flyers hand delivered				
Other				
YTD CHARITY CARE GOAL COMPLIANCE	GOAL 0.68%	ACTUAL YTD:		
Date Reported to PI/RM Committee				
Date Reported to Board of Directors				
Chairman Board of Directors Signature				

Brief Economic Facts

FREDERICK COUNTY, MARYLAND

Frederick County has received national recognition, being named #6 on the Top 10 Remote-Ready locations in the US by Livability, and Top 10% of Healthiest Counties in the US by US News & World Report. The County is dynamic and diverse, with a \$12 billion economy that boasts a strategic location, comprehensive transportation network, educated workforce and moderate business costs. Frederick County's targeted core industry cluster growth creates resilience and diversity with Professional & Business Services and Education & Health Services as two of the many strong industries.



Frederick County's cool vibe creates a community like no other; the main streets are thriving and the entrepreneurs are creating unique businesses. The County is a top vibrant arts community and is the leader of the craft beverage cluster growth in Maryland. Major employers continue to grow including Fort Detrick with a \$7B economic impact to the State of Maryland, Frederick Health, Leidos Biomedical, and Frederick National Lab.

Life Sciences is Frederick County's largest growing cluster with

international leaders such as

Thermo Fisher Scientific, AstraZeneca, and Lonza. Recent projects include Kite Pharma with a 279,000 SF biologics manufacturing facility; Ellume's first U.S. manufacturing facility at 180,000 SF; and VaLogic's 75,400 SF expansion.

Frederick County is leading the state with the Quantum Loophole campus, a first-of-its-kind environmentally friendly data center campus. Kroger-Ocado robotics fulfillment center adds to the growing e-commerce cluster alongside Costco and Goodwill.

LOCATION

Driving distance from Frederick:	Miles	Kilometers
Atlanta, Georgia	635	1,021
Baltimore, Maryland	46	75
Boston, Massachusetts	443	713
Chicago, Illinois	637	1,025
New York, New York	232	373
Philadelphia, Pennsylvania	143	229
Pittsburg, Pennsylvania	179	288
Richmond, Virginia	145	233
Washington, DC	44	71

CLIMATE AND GEOGRAPHY¹

Yearly Precipitation (inches)	43.6
Yearly Snowfall (inches)	26.3
Summer Temperature (°F)	74.4
Winter Temperature (°F)	33.6
Days Below Freezing	106.1
Land Area (square miles)	662.7
Water area (square miles)	4.6
Elevation (ft)	200 to 1,895

POPULATION^{2,3}

	Frederick County Households	Frederick County Population	Maryland part of Washington DC metro*	Maryland
2010	84,800	233,385	2,036,172	5,773,552
2020	92,526	271,717	2,226,589	6,055,802
2030**	113,425	295,120	2,324,580	6,254,500

*Frederick, Montgomery and Prince George's counties

**Projections

Selected places population (2010): Frederick 65,239; Ballenger Creek 18,274; Urbana 9,175; Lingansville 8,543; Thurmont 6,170; Brunswick 5,870; Walkersville 5,800; Spring Ridge 5,795

POPULATION DISTRIBUTION^{2,3} (2020)

Age	Number	Percent
Under 5yrs	15,106	5.9%
5 - 19 yrs	50,806	19.9%
20 - 44 yrs	81,245	31.8%
45 - 64 yrs	71,654	27.9%
65 and over	37,144	14.5%
Total	255,955	100.0
Median Age		39.0 Years

Brief Economic Facts // FREDERICK COUNTY, MARYLAND

LABOR AVAILABILITY^{1,2,3} (BY PLACE OF RESIDENCE)

Civilian Labor Force (2021 avg.)	County	Labor Mkt. Area*
Total civilian labor force	134,802	1,185,163
Employment	128,334	1,111,150
Unemployment	6,468	74,013
Unemployment rate	4.8%	6.2%
Residents commuting outside the county to work (2016-2020)	Number 42,331	Percent 35.0%
Employment in selected occupations (2016-2020)		
Management, business, science and arts	64,910	47.9%
Service	22,100	16.3%
Sales and office	26,097	19.3%
Production, transp. and material moving	10,912	8.0%

*Frederick, Montgomery and Prince George's counties

MAJOR EMPLOYERS^{4,7} (2020-2021)

Employer	Product/Service	Employment
Fort Detrick*	Army, NCI, and other tenants	10200
Frederick Health	Comprehensive Health Care	3300
Leidos Biomed / Frederick National Lab+	Medical Research	2334
Frederick Community College	Two-Year College	1286
Wells Fargo Home Mortgage	Mortgage Loans and Service Center	1175
Thermo Fisher Scientific	Life Sciences Research	950
Walmart	Retail trade	770
Costco Wholesale	Wholesale Distribution Center	751
AstraZeneca	BioTech Manufacturing	700
Mount Saint Mary's University	Four-Year University	684
NVR, Inc.	Home Building and Mortgage Banking	630
Weiss Markets	Grocery	625
Legal & General America	Life Insurance Headquarters	586
Wegmans	Grocery	560
Giant/Food Lion	Grocery	555
STULZ Air Technology Systems, Inc.	Manufacturer, Commercial Air Conditioners	520
Lonza	Biological Products	464
Way Station	Healthcare Services	409
Goodwill of Central and Northern Arizona	eCommerce, Retail, and Workforce Development	400
National Emergency Training Center ++	US Fire Academy, FEMA, and other tenants	400

Excludes post offices, state and local governments, national retail and national foodservice; includes higher education

Employee counts for federal and military facilities exclude contractors to the extent possible; embedded contractors may be included

+Includes employees at Frederick National Lab

++Includes U.S. Fire Academy, FEMA and other tenants

EMPLOYMENT¹ (2020)

Industry	Estab-lishments	Annual Avg. Empl.	Empl. %	Avg. Wkly. Wage
Federal Government	57	3,781	3.89	\$1,939
State Government	12	1,215	1.25	1,059
Local Government	89	10,102	10.39	1,188
Private Sector	6,436	82,114	84.47	1,072
Natural resources and mining	59	653	0.67	733
Construction	922	9,964	10.25	1,311
Manufacturing	193	5,219	5.37	1,227
Trade, Transportation, and utilities	1,120	17,720	18.23	858
Information	67	902	0.93	1,547
Financial activities	637	4,832	4.97	1,775
Professional and business services	1,466	15,034	15.47	1,454
Education and health services	792	14,631	15.05	957
Leisure and hospitality	607	9,417	9.69	417
Other Services	566	3,738	3.85	825
Total	6,595	97,212	100.00	1,117

Includes civilian employment only

HOURLY WAGE RATES⁸ (2020)

Selected Occupations	Median	Entry	Skilled
Accountants	\$38.59	\$25.36	\$50.42
Assemblers and Fabricators	\$18.23	\$14.42	\$22.91
Biological technicians	\$29.52	\$23.81	\$34.71
Bookkeeping/accounting clerks	\$22.96	\$16.89	\$26.93
Computer hardware engineers	\$52.66	\$41.50	\$66.23
Computer systems analysts	\$47.03	\$30.41	\$58.72
Computer user support specialists	\$23.87	\$18.79	\$31.54
Customer service representatives	\$18.23	\$13.50	\$23.97
Electrical engineers	\$52.88	\$41.25	\$66.90
Electronics engineering technicians	\$58.44	\$37.59	\$67.58
Freight, stock and material movers	\$17.24	\$13.50	\$19.38
Industrial truck operators	\$19.05	\$18.05	\$24.78
Information security analyst	\$50.28	\$33.78	\$66.97
Inspectors, testers, sorters	\$22.91	\$17.09	\$27.80
Machinists	\$28.13	\$17.27	\$31.28
Maintenance workers, machinery	\$24.49	\$16.73	\$30.19
Mechanical Engineers	\$38.50	\$27.51	\$50.63
Network support specialists	\$48.17	\$33.00	\$58.18
Packaging/filling machine operators	\$17.77	\$15.14	\$19.95
Packers and packagers hand	\$17.25	\$13.35	\$19.09
Secretaries	\$22.56	\$16.07	\$26.49
Shipping/receiving clerks	\$14.40	\$14.12	\$19.02
Stock clerks and order fillers	\$14.56	\$12.91	\$18.02

Wages are an estimate of what workers might expect to receive in Frederick County and may vary by industry, employer and locality

Brief Economic Facts // FREDERICK COUNTY, MARYLAND

SCHOOLS AND COLLEGES^{1,9}

Educational Attainment - age 25 & over (2016-2020)

High school graduate or higher	92.6%
Bachelor's degree or higher	41.70%

Public Schools

39 elementary; 13 middle/comb.; 10 high; career/tech 1, charter 3

Enrollment: 45,220

Cost per pupil: \$15,622

Students per teacher: 15.6

High school career / tech enrollment: 7,580

High school graduates: 3,069

Nonpublic Schools Number: 58

Higher Education (2020)	Enrollment	Degrees
-------------------------	------------	---------

2-year institution

Frederick Community College	5,756	1,050
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4-year institutions

Hood College	2,051	451
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Mount St. Mary's University	2,560	566
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Several major universities are within an easy commute of the county.

The Frederick Center for Research and Education in Science and Technology is a regional higher education center offering masters degrees in conjunction with the University of Maryland, College Park..

TAX RATES⁹

	Frederick County	Maryland
Corporate Income Tax (2022)	none	8.25%

Base -- federal taxable income

Personal Income Tax (2022)	2.96%	2.0-5.75%
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Base -- federal adjusted gross income

*Graduated rate peaking at 5.75% on taxable income over \$300,000

Sales & Use Tax (2022)	none	6.0%
------------------------	------	------

Exempt -- sales for resale; manufacturer's purchase of raw materials; manufacturing machinery and equipment; purchases of materials and equipment used in R&D and testing of finished products; purchases of computer programs for reproduction or incorporation into another computer program for resale

Real Property Tax (FY 22)	\$1.06	\$0.1120
---------------------------	--------	----------

Effective rate per \$100 of assessed value

In an incorporated area, a municipal rate will also apply

Business Personal Prop. Tax (FY 22)	none	none
-------------------------------------	------	------

Rate per \$100 of depreciated value

No county personal property tax on ordinary business property \$2.65/\$100 applicable to utility operating property only In an incorporated area, a municipal rate may apply; municipal exemptions may be available exemptions may be available

Major Tax Credits Available

Enterprise Zone, Job Creation, More Jobs for Marylanders, R&D, New Jobs, Biotechnology and Cybersecurity Investment, A&E District

INCOME⁷ (2016-2020)

Distribution	Percent Households		
	Frederick Co.	Maryland	U.S.
Under \$25,000	9.10%	12.80%	18.40%
\$25,000 - \$49,999	12.90%	15.40%	20.60%
\$50,000 - \$74,999	14.40%	15.20%	17.20%
\$75,000 - \$99,999	13.10%	13.00%	12.80%
\$100,000 - \$149,999	22.80%	19.30%	15.60%
\$150,000 - \$199,999	13.80%	10.80%	7.10%
\$200,000 and over	13.70%	13.40%	8.30%
Median household	\$100,685	\$87,063	\$64,994
Average household	\$119,067	\$114,236	\$91,547
Per Capita	\$44,273	\$43,352	\$35,384
Total income (millions)	\$11,228	\$254,806	\$11,201,162

HOUSING¹⁰

Occupied Units (2016-2020) 94,299 (75.90% owner occupied)

Housing Transactions

Units Sold	6,169
------------	-------

Median Selling Price	\$410,000
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*All multiple listed properties excludes auctions and FSBO

BUSINESS AND INDUSTRIAL PROPERTY⁶

Frederick County offers upscale research and development, technology, office and advanced manufacturing campuses with in-place amenities. Over 30 industrial and office parks have available sites with easy access to a vast transportation network, and access to 1/3 of the state's population within an hour's drive.

Frederick County Office of Economic Development (OED) maintains a current inventory of available office, flex, industrial, retail and land opportunities for businesses looking to start, locate, expand, or share space. OED utilizes Costar, a database of available sites and analytical data to assist companies in determining the best location.

With 5 designated Opportunity Zones, 2 Enterprise Zones, and a business incubator, businesses are taking advantage of the resources and the strategic location Frederick County has to offer.

Business Incubator

Frederick Innovative Technology Center, Inc. (FITCI), Frederick

Market Profile Data (2021)	Low	High	Average
Land -- cost per acre			
Industrial	\$76,887	\$719,665	\$376,763
Commercial	\$58,158	\$5,414,364	\$753,477
Rental Rates -- per square foot			
Warehouse / Industrial	\$8.00	\$13.70	\$9.79
Flex / R&D / Technology	\$7.00	\$19.00	\$11.62
Class A Office	\$10.00	\$25.00	\$20.57

Brief Economic Facts // **FREDERICK COUNTY, MARYLAND**

TRANSPORTATION

Highways: I-70, I-270, U.S. 15, U.S. 40 and U.S. 340

Mass Transit: MARC (commuter rail) service to Washington, D.C. and Amtrak; public bus transportation throughout Frederick City and connecting to other municipalities

Rail: CSX Transportation and Maryland Midland Railway (short line service)

Truck: More than 70 local and long-distance trucking establishments are located in the county

Water: Served by the Port of Baltimore, 50' channel; a leading U.S. automobile and break-bulk port; seven public terminals including the state-of-the-art Intermodal Container Transfer Facility

Air: Served by Baltimore/Washington International Thurgood Marshall Airport (BWI) as well as Reagan Washington National and Washington Dulles International Airports; Frederick Municipal Airport offers jet and turboprop charter service and ILS, VOR and GPS approaches; 2 runways with longest at 5,819'

RECREATION AND CULTURE

Parks: Cunningham Falls, Gambrill, Gathland, and Washington Monument State Parks, Monocacy National Battlefield, Sugarloaf Mountain, C&O Canal Towpath and Catoctin Mountain Park.

Recreation and Leisure: Golfing, fishing, hiking, ice skating, canoeing, swimming, orchard and winery tours, historic walking and motorcoach tours, visual and performing arts, art galleries, a zoological park, and minor league baseball.

Historical and Cultural: Schifferstadt Architectural Museum, Francis Scott Key Monument and Grave, National Museum of Civil War Medicine, Historical Society of Frederick County, Delaplaine Arts Center, Weinberg Center for the Arts, Seton Shrine Center, Grotto of Lourdes, Lily Pon Water Gardens, Brunswick Railroad Museum, covered bridges and antique and specialty shopping.

Arts & Entertainment District: Downtown Frederick

Events: Frederick's In the Street Festival, Brunswick Railroad Days, Candlelight Tour of homes, museums and historic houses of worship, Beyond the Garden Gates Tour, Rose Hill Days, Frederick Festival of the Arts, Maryland Christmas Show, Catoctin Colorfest, the Great Frederick Fair, New Market Days, Commemoration of the Battle of Monocacy, Myersville Trolley Festival, Middletown Heritage Festival, Oktoberfest at Schifferstadt, Annual Craft Fair and more.

UTILITIES

Electricity: Potomac Edison and Thurmont Municipal Light Company; customers of investor-owned utilities and major cooperatives may choose their electric supplier

Gas: Washington Gas; Baltimore Gas and Electric serves Mount Airy; UGI Central Penn Gas serves Rocky Ridge and Emmitsburg; customers may choose their gas supplier

Water and Sewer: Municipal water and sewer systems in Brunswick, Emmitsburg, Frederick, Middletown, Mount Airy, Myersville and Thurmont; municipal water systems in Walkersville and Woodsboro; 18 county-operated water plants and 15 sewage plants serve a wide geographical area

Telecommunications: Predominant local carrier - Verizon Maryland; Comcast offers Xfinity and Comcast Business; Long distance carriers - AT&T, Sprint, Verizon and numerous additional carriers, resellers and providers of WATS, MTS, voice, paging systems, data, video networking, CATV, satellite communications systems and other wireless systems; ISDN digital switching and fiber optics widely available

GOVERNMENT

County Seat: Frederick

Government: County executive and seven member county council elected for four-year terms; charter form of government allows for the separation of the executive from the legislative branch; lawmaking powers are vested in an elected legislative body

Jan H. Gardner, County Executive 301.600.1100

Jerry D. Donald, Pres., County Council 301.600.1135

Website: www.frederickcountymd.gov

Bond Rating: AAA (S&P); Aaa (Moody's); AAA (Fitch)

Frederick County Office of Economic Development

Helen Prophet, Executive Director

118 N. Market St., Suite 300

Frederick, Maryland 21701

Telephone: 301.600.1058

Toll Free: 1.800.248.2296 TDD: 301.600.1672

Email: info@discoverfrederickmd.com

www.discoverfrederickmd.com

Sources:

- 1 National Oceanic and Atmospheric Administration (1981-2010 normals); Maryland Geological Survey
- 2 American Community Survey
- 3 U.S. Bureau of the Census
- 4 Maryland Department of Labor, Office of Workforce Information and Performance
- 5 U.S. Bureau of Labor Statistics
- 6 Frederick County Office of Economic Development
- 7 Maryland Department of Commerce
- 8 Maryland State Department of Education; Maryland Higher Education Commission
- 9 Maryland State Department of Assessments and Taxation; Comptroller of the Treasury
- 10 Maryland Association of Realtors
- 11 Maryland State Archives; Maryland Association of Counties

**2022 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT
OF COLUMBIA**

Persons in family/household	Poverty guideline
1	\$13,590
2	\$18,310
3	\$23,030
4	\$27,750
5	\$32,470
6	\$37,190
7	\$41,910
8	\$46,630

For families/households with more than 8 persons, add \$4,720 for each additional person.

Public Notice: Frederick News Post

PSCF's mission is to provide high quality and affordable surgical care services to the community it serves. This includes providing surgical care services on a charity basis for all who qualify without regard to age, race, creed, color, sexual orientation or national origin.

Qualifications include those that are determined to be financially or medically indigent. Upon receipt of your eligibility request/documents, you will be provided with a probable eligibility notification within two days.

Additional information concerning the charity care program can be obtained from the Business Office Manager at 240-215-3070 or www.physicianssrgctr.com.

Updated 10.5.2021



Dear Goodwill Management,

Public Notice: Please share with the community you serve

PSCF's mission is to provide high quality and affordable health care services to the community it serves. This includes providing medical care services on a charity basis for those who qualify without regard to age, race, creed, color, sexual orientation or national origin.

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Persons whose income does not exceed 300% of the most current Poverty Income Guidelines issued by the Department of Health and Human Services will qualify for charity care discounts after verification of employment. These guidelines are updated annually. The current Poverty Income Guidelines can be found on: <http://aspe.hhs.gov.poverty>.

Persons with family income below 100 percent of the current federal poverty guideline who have no health insurance coverage and are not eligible for any public program providing coverage for medical expenses shall be eligible for services free of charge. At a minimum, persons with family income above 100 percent of the federal poverty guideline but below 300 percent of the federal poverty guideline shall be eligible for services at a discounted charge, based on a sliding scale of discounts for family income bands.

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Updated 3.2021-Updated 10. 2021

IV. IMPACT:

Table 2 above was created using information provided by the applicant in Tab 4, Exhibit 14 on the number of surgical cases performed by PSCF surgeons at Frederick Health Hospital, Holy Cross – Germantown, and Meritus Health System in 2020 and 2021. Although Exhibit 14 is not labeled, I assume that it only reports outpatient cases that could be performed at PSCF. Table 2 calculates the impact of shifting these cases to PSCF on each hospital's overall surgical capacity. The estimated surgical minutes for each surgeon are based on each surgeon's reported average operating room time in Exhibit 16.

Given the projected increase in surgical cases to be performed by each physician at PSCF, please discuss the impact of the proposed project on each of these three hospitals.

Impact on FHH:

PSCF believes it may draw an increase in cases per year as follows. Not all will be drawn from FHH, but for purposes of the topic of Impact, it will assume all of the increase in cases will be drawn from FHH. The data for the FHH cases are not all outpatient candidates, and only those appropriate to the ASC may be drawn from FHH. Therefore, the actual number of cases drawn may be smaller than the number utilized in measuring impact. Please note the impact is measured beginning 2021 when the most significant increase was observed. As utilization of the Operating rooms increased and some surgeons nearing their maximum case load the increases level out resulting in decreasing impact on FHH overall surgical capacity:

Year	Increase in Case load per year	Impact
2021	527	3.29%
2022	362	2.5%
2023	303	1.9%
2024	364	2.38%
2025	128	0.84%
2026	123	0.81%
Estimated Average draw from Frederick Health Hospital per year	Average of 301 cases per year	Average Overall Impact over six years: 1.9%

(EXHIBIT 18): Impact on FHH

Impact on Holy Cross Hospital:

PSCF believes it may draw an increase in cases per year as follows. Not all of the cases will be drawn from Holy Cross Hospital, but for purposes estimating the topic of Impact it will assume all of the increase in cases will be drawn from Holy Cross Hospital. Please note the impact is measured beginning 2021 when the most significant overall increase in annual case load was observed at PSCF. As utilization of the Operating rooms increased the impact on Holy Cross Hospital's overall surgical capacity is as follows:

Year	Increase in Case load per year	Impact
2021	54	0.77%
2022	141	2.0 %
2023	225	3.5%
2024	270	4.02%
2025	285	4.3%
2026	290	4.37%
Estimated Average draw from Holy Cross Hospital per year	Average of 210 cases per year	Average Overall Impact over six years: 3.16%

(The overall average impact will be less than noted as not all of the cases will be drawn away from this hospital.)

(EXHIBIT 19): Impact on Holy Cross Hospital

Impact on Meritus Hospital:

PSCF believes it may draw a negligible amount of cases per year as follows from Meritus Hospital. A minimal number of cases may be drawn from Meritus Hospital, but for purposes estimating the topic of Impact, it will assume all of the increase in cases will be drawn from Meritus Hospital. Please note the impact is measured beginning 2021 when the most significant increase overall case volume at PSCF was observed. As utilization of the Operating rooms increased the impact on Holy Cross Hospital's overall surgical capacity is as follows: Minimal, less than 0.25% impact on Overall Operating Room Capacity over six years

Year	Increase in Case load per year	Impact
2021	27	0.17%
2022	29	0.18%
2023	31	0.21%
2024	33	0.22%
2025	35	0.24%
2026	37	0.25%
Estimated Average draw from Holy Cross Hospital per year	Average of 35 cases per year	Average Overall Impact over six years: 0.17%

(EXHIBIT 20): Impact on Meritus Hospital

In summary, the average estimated caseload movement to PSCF per year is 546 cases with an overall impact on local hospitals combined is 1.7%.

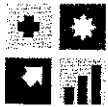
Impact on Frederick Health Hospital

[illegible]

Impact on Holy Cross Hospital

Surgeon	2020 Minutes	2021 Minutes	2022 Minutes	2023 Minutes	2024 Minutes	2025 Minutes	2026 Minutes
Petrucelli	0	20	31	65	90	95	100
Sanders	0	26	70	70	70	75	75
Evans	0	8	40	90	110	115	115
Impact on Holy Cross Hospital with change in case volume per year							
Total		Increase of 581 cases at 57 min per case: 54 cases from Holy Cross	Increase of 449 cases at 57 min per case: 141 cases from Holy Cross	Increase of 387 cases at 63 min per case: 225 from Holy Cross	Increase of 409 cases at 60 min per case: 270 from Holy Cross	Increase of 143 cases at 61 min per case: 285 from Holy Cross	Increase of 128 cases at 61 min per case: 290 from Holy Cross
TAT		1350+3078=4428	3525+8037=8362	5625+14175=19800	6750+16200=	7125+17385=24510	7250+17690=24940
total No.	5	5	5	5	5	5	5
OR's							
Optimal Capacity - Mixed Use General Purpose	114000	114000	114000	114000	114000	114000	114000
total							
Optimal Capacity at Hospital	570000	570000	570000	570000	570000	570000	570000
% Impact	0	0.77%	2.00%	3.50%	4.02%	4.30%	4.37%
Average Impact over six years							3.16%

Surgeon	2020 Minutes	2021 Minutes	2022 Minutes	2023 Minutes	2024 Minutes	2025 Minutes	2026 Minutes							
Adanm Mecir	333	15984	390	18720	420	20160	450	21600	500	24000	510	24480	520	24960
Impact on Meritus Hospital with change in case volume per year														
Total Surgical minutes + TAT								Increase of 581 cases at min 57 per case: 27 cases from Meritus Hospital	Increase of 449 cases at 57 min per case: 29 cases from Meritus Hospital	Increase of 387 cases at 63 min per case: 31 from Meritus Hospital	Increase of 409 cases at 60 min per case: 33 from Meritus Hospital	Increase of 143 cases at 61 min per case: 35 from Meritus Hospital	Increase of 128 cases at 61 min per case: 37 from Meritus Hospital	
total No.		675+1539=2214	725+1653=2328	775+1953=2728	825+1980=2805	875+2135=3010	925+2257=3182							
OR's	11	11	11	11	11	11	11							
Optimal Capacity - Mixed Use General Purpose														
OR's	114000	114000	114000	114000	114000	114000	114000							
total Optimal Capacity at Hospital														
% Impact	0	0	0.17%	0.18%	0.21%	0.22%	0.24%	0.25%						
							Average Impact over six years							
							0.17%							



August 11, 2022

By E-Mail

Scott Andochick, M.D.
President
Physicians Surgery Center of Frederick
81 Thomas Johnson Court, Suite B
Frederick, MD 21702

Re: Notice for Change of Ownership
Andochick Surgical Center, LLC
d/b/a Physicians Surgery Center of Frederick
81 Thomas Johnson Court, Suite B
Frederick, MD 21702

Dear Dr. Andochick:

I write in response to your letter of July 25, 2022 informing the Maryland Health Care Commission (MHCC) of a change of ownership for Andochick Surgical Center, LLC, d/b/a Physicians Surgery Center of Frederick (PSCF).

COMAR 10.24.01.05A(3) states that the determination of coverage letter for ambulatory surgery capacity is issued only for the entity specified. A new determination of coverage will be required if the principal owner or majority of owners changes.

PSCF submitted with its certificate of need of July 9, 2021 the Master List with the ownership or control interest for the ambulatory surgical center, which is found in Attachment 1.¹ Your July 25, 2022 letter (Attachment 2) states that "no changes are occurring in the physical facilities, physicians or other health care practitioners, staff or surgical specialties provided at the ASC and that changes are limited to ownership." This letter indicates the following changes in ownership: (a) the share of principal owner Scott Andochick, M.D., has increased from 25.65% to 31.15%; (b) James Steinberg, D.O., has relinquished his 23.5%

¹ Andochick Surgical Center, LLC, d/b/a Physicians Surgery Center of Frederick, Matter No. 21-10-2451, Attachment 1.

Scott Andochick, M.D.
August 11, 2022
Page 2

ownership share in PSCF; (c) the share of Kristin Nesbitt Silon, M.D., decreased from 23.5% to 20.5%; and (d) that Steven Horton, M.D., (12%), Gabe Petruccelli, M.D. (3%), Korboi Evans, M.D., (3%), and Samuel Sanders, M.D., (3%) have purchased shares in the facility. The ownership shares of Adam Mecinski, M.D., (11.14%), Sunil Thadani, M.D., (11.2%) and Matthew Levine, M.D., (5%) remain unchanged.

Pursuant to Health General-Article, Section 19-114, et seq., and COMAR 10.24.01.05, you are not required to obtain a Certificate of Need to undertake this transaction. You must notify the Commission if any of the facts in this letter are incorrect or if you intend to change any of the stated facts or representations.

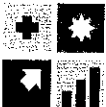
Please be advised that the Commission may conduct an on-site inspection to verify that the ambulatory surgical project developed is consistent with the facts and representations made about the project in the determination of coverage request. If you have any questions regarding this letter, please contact Wynnee Hawk, Chief Certificate of Need, at (410)764-5982 (or wynnee.hawk1@maryland.gov).

Sincerely,



Ben Steffen
Executive Director

cc: Paul Parker, Director, Center for Health Care Facilities Planning and Development
(paul.parker@maryland.gov)
Wynnee Hawk, Chief (wynnee.hawk1@maryland.gov)
Alexa Bertinelli, Assistant Attorney General (alexa.bertinelli@maryland.gov)
Caitlin Tepe, Assistant Attorney General (caitlin.tepe@maryland.gov)
Christopher P. Dean (cdean@milesstockbridge.com)
Jennifer Coyne (jcoyne@milesstockbridge.com)
James P. Sherwood, FACHE, VP Business Dev. & Strategy, Frederick Health
(jbsherwood@frederick.health) (Interested Party Contact)
Barbara A. Brookmyer, M.D., M.P.H., Health Officer of Frederick County
(bbrookmyer@FrederickCountyMD.gov)



**PHYSICIANS
SURGERY CENTER**
of Frederick

**81 Thomas Johnson Drive, Suite B
Frederick, MD 21702**

July 25, 2022

Paul Parker, Director

Health Care Facilities Planning and Development

Maryland Health Care Commission

Paul.parker@maryland.gov

Dear Mr. Parker,

We wish to inform you that the ownership of Andochick Surgical Center LLC has changed. Please see attached. This letter serves to affirm that no changes are occurring in the physical facilities, physicians or other health care practitioners, staff or surgical specialties provided at the ASC and that changes are limited to ownership. Attached is our new ownership structure.

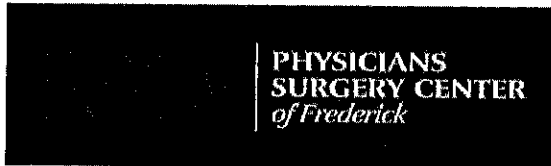
Sincerely,

SC Andochick

Scott Andochick, President

Master List: Ownership or Control Interest of Physicians Surgery Center of Frederick


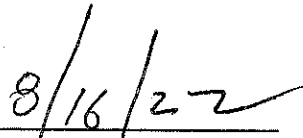
Name of Individual or Entity	Title	DOB	Address	SSN	Percent Ownership
Scott Andochick, MD	President, Medical Director	8/7/1958	81 Thomas Johnson Court Ste A. Frederick, MD 21702	212-62-3353	31.1532%
Adam Mecinski, MD	Partner	1/7/1967	5950 River Ridge Road Frederick, MD 21704	217-56-7687	11.1431%
Kristin Nesbitt Silon, MD	Partner, MEC Chair	3/31/1972	5451 S. Renn Road Frederick, MD 21703	105-62-7357	20.5000%
Steve Horton, MD	Partner	12/28/1983	7711 Radnor Road Bethesda, MD 20817	590-60-4025	12.0000%
Sunil Thadani, MD	Partner	11/25/1973	10018 Woodhill Road Bethesda, MD 20817	217-19-8792	11.2037%
Matthew Levine, MD	Partner	5/3/1972	2046 Rockingham Street McLean, VA 22101	408-13-5385	5.0000%
Gabe Petrucelli, MD	Partner	10/1/1978	14701 Plainfield Lane Darnestown, MD 20874	212-04-0493	3.0000%
Korboi Evans, MD	Partner	5/27/1981	11104 South Glen Road Potomac, MD 20854	220-96-8133	3.0000%
Samuel Sanders, MD	Partner	3/14/1977	11204 River View Drive Potomac, MD 20854	218-88-9660	3.0000%
					100%



Matter #21-10-2451

Supplementary Information Attestation:

I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information and belief.

Scott E. Andochick, MD 8/16/2022